in the box till the 29th i.e., yesterday.

I beg to remain,

Sir,

Your most obedient servant,

Sd/- V.S. Rajagopalachar,

Amildar.

C.C.No.14/1926-27.

Submitted to the Deputy Commissioner, with reference to his D.O. of yesterday calling for the explanation of the Amildar, Mysore Taluk.

Sd/- T.Abdul Khadir,

Sub Division Officer,
Mysore.

31-3-1927.

"Copy"

Deputy Commissioner,

Mysore District.

on No. C.3764/26-27.

OFFICE OF THE REVENUE COMMISSIONER IN MYSORE,

Dated Bangalore 31st March 1927.

FROM

C 118 of 28-9

P. G. D'Souza, Esquire., M.A., B.L.,
Revenue Commissioner in Mysore.

DEWAN'S
Received on
4 APR 1927
Roll No. 2100

The Chief Secretary to the Government
of His Highness the Maharaja of Mysore,
Bangalore.

Shortage of Rs.13,000/- currency notes - Mysore Taluk Treasury.

SIR,

S i r,

I have the honour to state that the Deputy Commissioner, Mysore District, reports in his D.O. letter No.175-26 dated 29th March 1927 that a shortage of Rs.13,000/- in currency notes has been found in the Mysore Taluk Treasury on the 29th instant, that he has deputed the Sub Division Officer, Mysore, to check the entire cash and examine the double lock registers. It is stated that the shortage is found to have occurred by carelessness in handling currency notes, that a detailed report will be submitted after the Sub Division Officer has completed the investigation and that the Deputy Commissioner also visited the Treasury on the 29th and has given necessary instructions.

I have the honour to be

S i r,

Your most obedient servant,

For personal Secretary
report will be awaited.

Assistant Commissioner,
For Revenue Commissioner
Absent on casual leave.

Read
Just Noted
31/3
BR.

This report shows that the Serious had for very long in the Taluk Treasury. It reflects on the Amildar & the inspecting officers. The RC. proposes to visit the Treasury when he is in this part & will do so, he said on Sunday. This was not done. Where there was [illegible] have all been neglected or ignored. Why keeping [illegible] Extension

Judgement in Mysore Taluk Treasury Defalcation Case

App. F. III—2] 28

General and Revenue Secretariat. | Rev File No. 15 of 192 | CB · 3738

Serial No.

A

A final report in the matter of assessing responsibility for the loss on the supervising and other officers has been called for from the Dy. Comr. The Rev. Comr. says that he is still awaiting this report and will furnish his views in the matter later. He, however, hints that in the light of facts disclosed in the Sessions court it is hard to fix responsibility on the supervising officers.

From the judgement, it is clear that the defalcations were rendered possible mainly by the circumstance that just prior to any anticipated inspection of the Taluk Treasury, the Shroff and Sherastedar used to send a large remittance to the district Treasury showing in the invoice a much higher figure (the difference representing the amount defalcated) than what was actually in the remittance box, and delaying the verification of this remittance by the district Treasury until after the Taluk Try. inspection was over and the Shroff & Sherastedar

NOTE—Contn. sheet

GPB—60,000—24-5-27

(13

Mysore
Taluk Office,
30th March 1927.

To

The Sub Division Officer,
Mysore Sub Division, Mysore.

Sir,

With reference to your kind letter of this date, desiring me to submit my explanation whether I was present whenever the double lock store is opened either for putting in or taking out money when I am in Head Quarters etc., I beg to state that this month is the collection season when I had to be more busy outside than in Head Quarters. During this month, I have signed the double lock register on the 1st, 10th, 16th, 21st, 23rd and 25th only. On the 1st instant I held the detail inspection and on the remaining days, I merely visited the treasury to see if the locks are properly put in and sealed. During this month, no amount was taken out from the box but only put in by the Taluk Sheristedar. I remember to have been present only once or twice while the amount was being put in and at other times I visited the Treasury after it was locked or sealed.

On Saturday the 26th instant I was holding sales and recovering money in a Marwadi shop in the Sayyaji Rao Road, with the Incometax Inspector, City Sheikdar and others, I had some fever and it rose high after 12 noon and made me very uneasy either to sit or do anything. All those that were present there are aware of it and so I went home and took rest and did not go to office and asked the officials to send all urgent papers if any, to my house. The Head Gumasta came to me in the afternoon with the leave application of the shroff for sanction. I refused to grant any leave and sent him away. In the evening the Shroff himself turned up with the application supported by the Taluk Sheristedar for granting him a day's casual leave and represented his urgency to go. I permitted

(12

Confidential.

D.O.No. 175/26-27.

Enc. 2. Office of the Deputy Commissioner,
Mysore District,
Dated, Mysore 31st March 1927.

Dear Sir,

In continuation of my letter of yesterday regarding the loss of Currency Notes in the Mysore Taluk Treasury, I enclose herein a Copy of the explanation of Mysore Taluk Amildar, Mr. V. S. Rajagopala Achar, in the matter. I do not consider his explanation quite satisfactory. His diary (copy) for March is also enclosed.

Yours Sincerely,

To

P. G. D'Souza, Esq., B.A., B.L.,
Revenue Commissioner
in Mysore, BANGALORE.

26

App. F. III—2]

General and Revenue Secretariat. File No. 15 15 of 1927

Serial No.

It would be better to wait until the trial of the case by the Session Court is completed. P.C will however be consulted unofficially

First Member. 17/1

5685/16/1

13623 Gys

17/1/28

C3126/27-28

JAN

Memo. No. 4897/1927-28 17.1.28

Forwarded to the Rev. Comrs. for favour of his views on the points referred to above

17/1 Asst. Revenue Officer Chief Secy

Memo. No. C3126/27.28

Returned with compliments. I have discussed the matter with the permanent Deputy Commissioner, Mr Ramanathan. It is better to wait till the trial of the case in the Sessions Court is completed.

Revenue Commissioner

5950/25/1

First Member 24/1

26/1/28

26/1

REVENUE SECTION 27. JAN. 1928 REVENUE BRANCH

NOTE—Orders on sheet.

WD 0824—GPB—60,000—24-5-27

General and Revenue Secretariat.

Rev File No. 15 of 1927.

Serial No.

47) Draft submd

DR 3/1 WD 3/1

48) Sec WD 4/1/28

To Q Govts Dist to DC Upr Dt.

10 Calls for his final report through the Rev Comr on the matter of assessing the responsibility for the loss on the supervising & other officers.

Copy to Rev Comr with the remark that clearance might be obtained & send with his remarks.

Sent 2 WD 7/1

From the DC Supreme Dist.
no C.C 95/27 dt 9-1-28
States that the Defalcation case is pending before the Court of Sessions, and that, if there is no objection, the report will be sent after the return of the Permanent Deputy Commissioner from leave.

49) Subs for perusal and orders.
Refce para 45 above.

5685 16/1

T.V.N 12/1/28 WD 12/1

Third Member
Chief Secy

13/1.

Third Chief Secy.

16/1/28

The consideration of the third chapter

NOTE—Contn. sheet.

WD 0824—GPB—60,000—24-5-27

5718

App. F. III—2] 27

General and Revenue Secretariat.

Rev File No. 15 of 192 .

Serial No.

It is understood that the trial of the case is completed. As the permanent Dep Comr has returned to duty, he may be asked to expedite his report assessing the responsibility for the loss on the supervising & other officers concerned. A draft is subs for consideration.

OCS (a) H
MW

Chiefsec 16/4

CHIEF SECRETARY, 17 APR. 1928

[The following Comn has in the meantime been received]

From the Rev. Comr
No CC60 d. 10.4.28.

Forwards forwards a copy of the judgment in the case and says that there is nothing more to be elucidated by further enquiry. In view of difficulty of detection, he doubts if any officer ~~could be detected~~ should be definitely held responsible.

" Chief Secy's orders

This may be dealt with in C. B. after obtaining papers if any from Rev. Br. May be put up quickly."

(20) NKM. 15/4/28

Rev

Comn. Recd. in C.B. 17/4
Refers. from Rev. Branch on 18.4.28

WD 0324—GPB—50,000—24-5-27

General and Revenue Secretariat. | Rev File No. 15 of 192 .

Serial No.

B

(

C & D

The D. G. of Police ~~has~~ suggested in a letter to the Rev. Comr. that the monthly inspections by the Amildar etc may be done as surprise visits rather than ~~as~~ on a fixed day like the first of the month. Instructions have been issued by the R.C. & the Govt. directing surprise inspections in addition to periodical inspections.

Regarding the responsibility of the officials other than those convicted by the Court ~~Sessions Judge~~ Sessions Judge, the Sessions Judge holds that Taluk Sherastedar Rangaswami Iyengar (who succeeded the accused Sheristedar) is absolutely innocent. He also holds that Mr. V.S. Rajagopalachar, the Amildar, was not privy to the fraud, as the Shroff & Taluk Sherastedar were invariably sending an advance remittance to the District Treasury (transferring the shortage ~~to~~ thereto) prior to his inspection, so that his minutest inspection would not have disclosed the fraud. It is however stated that this ruse was not adopted ~~on~~ on a few (4 or 5) occasions and the fraud ~~would have~~ might have been detected if he had examined every item of cash in detail on these occasions. He says he was not counting Rs 10/- and Rs 5/- notes in detail but was merely looking at the packets and bundles.

(P.P. 21 & 22 of Judgment)

NOTE—Contn. sheet.

WD 0324--GPB—60,000—24-5-27

General and Revenue Secretariat

R.M. File No. 15 of 19[illegible].

Serial No.

Opt. put up for Cmte as per orders. As St. Joy Chief-Secretary has retired from service the amount due on his (Rs 1300) provident fund will be removed out of his security and life insurance amounts. The amounts due for St. Joy Chief-Secretary Ramanuja Iyengar & St. Treasury officers Messrs Vasudeva Rao and C. Ramiah are similar. The necessary action may be taken in the absence of suggestions to the contrary.

Chief-Secy 5/11/28

The draft as revised may be retyped and submitted to the II Member for Approval

8/11

clear typed draft submitted

8/11

Cmte's opinion please see flag C

Draft Hair cut.

CHIEF SECRETARY 8 NOV. 1928

OFFICE OF THE SECOND MEMBER OF COUNCIL 8 NOV. 1928 No. 3728

FINANCIAL SECRETARY 14 NOV. 1928 No.

Call P.S.N. carefully Have it typed carefully Explain to him

9/11

cut as minuted 9/11

15/11

R. cmte 929

NOTE—Colombo Gazette

14/11/28

WD 01710 GPE—80,000—3-28

Cmte's opn 14/11

G. R. S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

R 6205 dt 4-4-27

Dear Sir,

With reference to your [illegible]
no. C.No. 60/26-A dt. 31.3.27 [illegible]
in original the report of the [illegible]
Commr. regd. obtg. [illegible] re-) to
loss of currency note of the value of
Rs 13 crs. in the Salwin Irrn.
has been [illegible] State that as per
for art 55 (d) in Appx II as amended
R 3395-404/RM.
by G.O. No. L 16-23-2 dtd 2nd Dec 1926 Irrn
Manl. Salwin Irrigation Sharing Bd
is expected twice a year by the first
and once by the
Rule 28 of the Rev. Manl.
prescribes Simultaneous
Sub Division
have
It may kindly be
the last
[illegible]

WD 2280—GPB—1,00,000—23-7-20

following rules were

being observed in the Taluk Treasury

(1) The cash Balance of the Taluk

Treasury should be inspected in detail

once a month by the Amildar.

(2) Whenever the Amildar returns

to Headquarters after a detailed inspection

he must carefully verify the cash

balance (old art 287 M.A. Code vol II amended as art 14 J corrn Slip no 20)

(3) Whenever money is sent in or

out, the double locks should

be opened by the Amildar himself in

the presence of the Shirastadar (art 14 J) and

the cash or currency notes taken out

counted in a separate

room (3) vide also art 14 A & J.

by notes during these inspections

should be done by the Amildar himself (art 44 d. 3.)

Currency notes are required

to be kept in a new box or steel trunk

which is to be sent back empty (as reported in this case)

when not required. The

Balance Book

should be carefully inspected

The bulk of the Treasury balance except a small sum covered by the security deposit of the Shirastadar should be in double locks and

Orders regarding [illegible] of the Amildar will [illegible] of these details [illegible]

No.C.C. 663-27.

Office of the Revenue Commissioner in Mysore,
Dated Bangalore, 28th April 1927.

35

C I R C U L A R.

The special attention of all the Deputy Commissioners is invited to the following, among other rules prescribed in the Mysore Account Code, Vol.II, in regard to the keeping and check of cash in the Government treasuries of the State, and they are requested to issue necessary instructions to all subordinate officers to adhere to them strictly:-

(1) The cash balance of the Taluk Treasury should be inspected once a month in detail by the Amildar.

(2) The Amildar must personally open the double lock store when it is necessary to take out or put in any money.

(3) When the Amildar has to leave the station, he may leave the key with the Sheristedar, but he must carefully verify the cash directly immediately he returns to headquarters and receive back his key.

(4) All coin or currency notes taken out should be entered in a separate register in Form No.3, appended to Mysore Account Code, Vol.II.

(5) All currency notes deposited under double locks should be kept separately from coin in a tin box or other receptacle designed to protect them for injury by damp, insects, etc.

(6) Taluk Treasuries should be inspected twice a year by the District Treasury Officer and once by the Deputy Commissioner.

2. Besides the usual inspections prescribed in the rules, surprise inspections of Taluk Treasuries by Deputy Commissioners or Sub Division Officers should be made at frequent intervals and the cash in the Treasuries carefully verified, with the accounts. The Amildar and the Sheristedar will be personally held responsible for the correct maintenance of accounts and the security of the cash in double locks and any negligence on their part in these respects will be severely noticed by Government.

3. The Deputy Commissioners are requested to issue strict instructions to all the officers concerned.

Sd/- P.G. D'Souza
Revenue Commissioner.

The Deputy Commissioners of Districts.

P.T.O.

32

remittance should be taken up immediately on receipt. (Article ~~269~~ 602 (a) M.A.C.Vol.II). (3) The cash boxes should be opened and the cash bags weighed immediately in the presence of the Treasury Officer (Article ~~269~~ 602 (b) ~~4~~ 5) though the detailed examination of the cash may take a number of days during which period the remittance should however be kept in the strong room and treated as part of the cash of the Treasury (Article ~~269~~ 602 (c). Though the Shroff accompanying the treasure may put a lock on the box containing the untested remittance, he should not have access to it independently of the Treasury staff. (4) No time should be lost in examining a remittance (Art: 603, M.A.C, Vol II). (5) As regards currency notes, detailed examination should involve no delay. (~~269~~ 602 (f)). If currency notes had been examined immediately on receipt, this fraud would have been prevented. 7. In the present case the notes were invariably examined last (Vide evidence of the shroff) and the examination of the remittance was unduly delayed and the Taluk Shroff was allowed to independently handle the remittance boxes and insert in them currency notes brought later, such irregularities are not likely to occur when the two treasuries concerned are in different places and not in the same place as in Mysore.

Quite so - This was the point that I brought to the notice of the Comptroller in my discussion with him. 4

8 However it may be better to issue an order drawing attention to the rules requiring the examination of - - remittances by Treasury Officers while despatching and receiving remittances and the prompt detailed examination of cash remittances and the immediate examination of - - currency notes.

S. V Ramanna

Comptroller. 18/8/27

I fully agree with the Comptr. Do accordingly with the compliments.

4
20/8/27

Statement showing the remittances made from the Mysore Taluk Treasury into the District Treasury.

	Date of remittance and amount.				Date of completion of examining the remittance in the Try.			Remarks
				Rs				
1	3	7	25	20,000	19	7	25	
2	30	7	25	26,440	14	8	25	
3	31	8	25	20,300	12	9	25	
4	27	8	25	30,354	13	10	25	
5	27	10	25	29,570	5	11	25	
6	1	12	25	15,000	15	12	25	
7	12	1	25	17,185	16	1	26	
8	30	1	26	11,300	31	1	26	
9	25	2	26	23,740	11	3	26	
10	18	3	26	50,000	23	3	26	
11	28	4	26	66,420	16	5	26	
12	29	5	26	42,600	23	6	26	
13	26	6	26	27,485	20	7	26	
14	29	7	26	20,525	19	8	26	
15	31	8	26	21,155	9	9	26	
16	29	9	26	20,100	25	10	26	
17	30	10	26	20,000	13	11	26	
18	29	11	26	20,100	9	12	26	
19	21	12	26	17,650	27	12	26	
20	12	1	27	7,050	15	1	27	
21	7	2	27	10,900	9	2	27	
22	11	2	27	25,000	12	2	27	
23	4	3	27	62,500	14	3	27	
24	4	4	27	43,831	13	4	27	
25	14	4	27	11,046	19	4	27	
26	21	4	27	6,997				
27	28	4	27	5,018-14-0				
28	7	5	27	25,627- 9-6				

Sd/- A.V.Ramanathan
Deputy Commissioner.

Confidential.

CB-1669. 34

C.C. 60/26-27/S.

OFFICE OF THE REVENUE COMMISSIONER,
IN MYSORE,

Dated Bangalore, the 28th April *1927.*
30th

My dear Madhava Rao,

In continuation of my D.O. letter No. C.C.60/26-27 dated 2-4-1927 regarding the loss of currency notes in the Mysore Taluk Treasury, I beg to forward herewith, for the information of Government, a copy of the confidential report of the Superintendent of Police, French Rocks, received from the Inspector-General of Police, showing the circumstances in which the defalcation appears to have taken place, and the progress in the investigation of the matter by the Police Department. I have requested the Deputy Commissioner to submit a complete report in the matter at a very early date, together with the information called for in your D.O. letter No.R.6285 dated 4-4-1927, and on receipt of his report, a further communication will be made to Government.

2. With a view to prevent the occurrence of such defalcations in future, I am issuing a circular to the Deputy Commissioners of Districts directing that in addition to the periodical inspections of the treasuries by the Deputy Commissioners, District Treasury Officers and Amildars required by the rules, surprise inspections of the Treasuries should be made at frequent intervals and the cash carefully verified. A copy of the circular also accompanies.

3. Since I wrote as above, the Deputy Commissioner has sent a further report which is forwarded herewith. He states that the investigation is not yet completed, and that he would send a final report, with copies of inspection notes and with his opinion as to the relative responsibility of the officers and proposals for making good the loss.

Yours sincerely,

Confidential report from the Superintendent of Police, French-Rocks to the Inspector General of Police in Mysore.

With reference to the D.O. dated the 22nd April 27 from Mr. G. Santhavirappa asking me to report the result of the investigation in the Mysore Taluk Treasury defalcation case, I have the honor to state as follows;-

Mr. P. N. Venkata Raghava Iyengar who is now under arrest was the Taluk Sheristadar at Mysore till the evening of 4th March 1927 - on which date he sent a large remittance of Rs. 62,500/- to the District Treasury and handed over double lock keys at the end of the day to the Nagadi Gumastha to be delivered to the Head Gumastha, as he was under orders of transfer to Mandya and was directed by the Amildar to hand over charge of the Treasury to the Head Gumastha. The latter conducted the transactions on the 5th March and at the end of the day again gave back the keys to Mr. P. N. Venkataraghava Iyengar which is highly irregular and against rules. The 6th March being Sunday, the keys were detained by Mr. P. N. Venkataraghava Iyengar and were delivered to the new Sheristadar Mr. K. Rangaswami Iyengar on the morning of 7th March. There is some inconsistency regarding the person that actually handed over keys to him on the forenoon of 7th March, the Head Gumastha states that it was the previous Sheristadar that handed over the keys to the new Sheristadar. The latter is not consistent in his statements. Once he says he handed over charge to the Head Gumastha on 4th March and never took back the keys and at other time he says that he himself handed over charge of the Treasury to the new Sheristadar. Mr. K. Rangaswami Iyengar did not check the double lock balance immediately he took charge of the keys. He kept quite till the 9th and checked the balance on the evening of that date and says that he found it correct. On the morning of the 13th he left for Gundlupet availing himself of Sunday and handing over Treasury and double lock keys to the Head Gumastha and returned at about 3 P.M. on the 18th and immediately left for conducting some Revenue sales. The Head Gumastha was in

dates of inspection by sending remittances to the District Treasury containing shortages to the extent of misappropriation a few days prior to the dates of inspection and beginning of the month which invariably used to lie untested at the District Treasury at the time of inspection of the Taluk Treasury, that after the date of inspection the shortage in the remittance used to be made good by the Shroff taking the currency notes to the extent of the shortage from the double lock and handing them over to the District Shroff who was in league with him, at the time of shroffing the remittance and that accordingly the currency notes to the value of Rs. 13,000/- were removed by the Shroff from the double lock on the morning of 14th March when Head Gumasta was in charge of the Treasury with a view to replace the shortage to that extent which was in the remittance sent to the District Treasury by the previous Sheristadar on the 4th March 1927. This is indeed a novel procedure by which they were able to defalcate the amount unnoticed for a long period. Probably this defalcation would not have been detected even on the 29th and would have gone on for some time more, if Shroff Honnaiya had not gone on leave or had returned a day earlier than the date on which the new Sheristadar checked the contents of the double lock for sending the remittance, since he could have easily perguaded the new Sheristadar to send only a smaller remittance. The detection of this case could have been possible only if surprise inspection of the cash had been held at a time when there was no untested remittance in the District Treasury. Hence the Amildar could have easily found out the shortage in the double lock if he had carefully counted the notes at the time of his inspection on these dates. He admits his gross negligence and states that he was only in the habit of handling hundred rupee notes and used to get bundles of other denomination notes counted in his presence. The Shroff was able to deceive the Amildar by probably counting more bundles than actually were at the time of monthly inspections.

1-12-25
1- 2-26
1- 4-26
1- 1-27
7- 2-27
1- 3-27

It is not possible to fix the actual date on which defalcation commenced. The Deputy Commissioner has

inspected the Treasury on 15- 6-25 and has certified the contents of the double lock to be correct. Since there was no untested remittance pending in the District Treasury at the time of inspection, this date may conveniently be taken as the starting point for purposes of investigation but it can not be definitely said that there was no misappropriation earlier, because there was an imprest amount of Rs 3,416-9-10 on that date in the Treasury which was not checked by the Deputy Commissioner and it was quite possible to have diverted money from the imprest to the double lock on the date of inspection, if there had been a shortage in the double lock to a smaller extent than the imprest. This Imprest amount some times ran to Rs. 10,000/- in July, August and September 1925. As it was left with the Shroff and the Sheristadar it might have been very handy and could easily be available for any manipulation and adjustment of the shortage either in the double lock or in the untested remittance. This imprest was not checked by the Inspecting officers nor by the Amildar who has merely initialled the register for having seen it.

So far as the accounts are concerned it is rather hard to find any defects but there are two circumstances which provide useful evidence for the prosecution against the Shroff and the Sheristedar. On 31-12-25 one Mr. Shellam Iyengar, Veterinarian, Palace Stables presented a cheque for Rs. 6,310/- for encashment at the Taluk Treasury and wanted payment to be made in currency notes. Though according to book figures there should have been currency notes in the double lock to the value of Rs. 8,605/- payment was not made until a remittance of Rs 6,000/- in the form of currency notes was received from the District Treasury thereby showing that there might not have been enough notes in the double lock on that date for encashing the cheque before remittance was received. A remittance of Rs. 15,000/- partly of currency notes to the value of Rs 5,100/- as noted in the margin was despatched on 1-12-25 which was finally tested on 17-12-25. Leaving out of account one rupee notes in determining the shortage since they are uncurrent, the maximum shortage on 17-12-25 may be fixed at Rs4875

10X200 = 2,000
5 X575 = 2,875
4,875
1X225=225
Rs 5,100/-

cover the shortage in the Taluk Treasury, persistant absence of the Taluk Shroff though sent for to test the remittance at the District Treasury until the balance in the taluk reached a certain figure to cover the shortage and lastly despatch of remittance just before the date of inspection by higher officers (as noted below) with a view to keep correct balances on the dates of inspection, are other circumstances which go to strengthen the case against the Shroff and the Sheristadar.

Further investigation being necessary in view of a certain postcard addressed to the Sheristadar from Krishnagiri in March 1926 asking him for a loan of Rs 1,000/-, it will take some time more to place final charge sheet against the Sheristadar for several counts.

Against the Head Gumastha there is no good evidence at present except that he was in charge of the Treasury on the morning of 14-3-27 and that as ascertained by the Gollar, he permitted the Shroff to open the double lock on the morning of 14-3-27 though there was no 'taken out' merely with a view to enable the Shroff to take away the amount of Rs 13,000/- to cover up the shortage in the remittance. Further evidence is also being collected against the Head Gumastha.

It is too soon to take any action against the District Shroff and the Gollars of the District Treasury whose connivance with the Taluk Shroff, there is not the slightest doubt.

Date of Inspn.	Name and designation of Inspecting Officer	Date of despatch of remittance from Taluk Treasury	Date of testing in the District Treasury.
15-6-25	Deputy Commissioner	16-6-25	
17-6-25	Mr. G. Rudrappa T.O.	1-12-25	17-12-25
6-12-25	Mr.V.Vasudeva Rao""	28-4-26	17- 5-26
29-4-26	Mr. T.Abdul Khadir S.D.O.	29-5-26	23- 6-26
18-6-26	Mr. M.Basavaraj Urs T.D.	21-12-26	27-12-26
22-12-26	Do		

"C o p y"

Inspector General of Police.

This large remittance has remained untested at the District Treasury for fairly long periods varying from a week to nearly a fortnight. It has been discovered that the remittance could not have been correct according to the face value of the invoice and that on the contrary it must have been short. The remittance was merely made to show correct small balance according to registers at the time of Inspection of the Taluk Treasury and to transfer the shortage to the District Treasury which shortage could not be discovered until the remittance was taken up for testing. In the interval between the receipt of the remittance at the District Treasury and its actual testing there, the Sheristedar always arranged to keep the Shroff away from the District Treasury inspite of calls to the latter to go up for testing the coin until they got at the Taluk Treasury a sum, in notes, of the denominations needed, to cover the shortage. The Shroff would then go to the District Treasury and manage to put in the required number of notes and thus show that the remittance was correct according to invoice. Where such clever fraud was being perpetrated, it may be presumed that the gunny bag was being removed at the time of the inspections of the superior officers. I do not myself remember having seen it during two of my inspection.

6. Another noteworthy fact discovered during the Police investigation is that the keys of the Treasury Room were sometimes kept by the previous Sheristedar himself instead of handing them over to the Amildar ~~it~~ at the end ofthe day. The Sheristedar when he was transferred to Mandya was directed by the Amildar to hand over charge of the Treasury to the Head Gumasta on the 4th March. The keys of the Treasury are reported to have been handed over by the Sheristedar to the Head Gumasta who conducted the transactions on the 5th. At the close of the day the keys are reported to have been delivered back to the Sheristedar. The Sheristedar has

Rs 4,875/- for purpose of calculation. Another circumstance favourable to the prosecution is that a remittance of Rs 17,650/- sent to the District Treasury on 21-12-26 was finally tested on 27-12-26 on which date the double lock balance was as low as Rs 6,585/- and the imprest amount was Rs 1,771/-. Naturally there were not enough notes in the double lock to cover up the shortage in the remittance which had then risen to Rs 11,700/- according to investigation luckily for the Treasury staff an R.T.R. was received on that date for Rs 17,320-8-0 in favour of the Amildar which was encashed at the District Treasury the same day. This saved the critical situation. One of the remittance boxes despatched on 21-12-26 contained Rs 11,707/- in the form of currency notes and one bag of small coins to the value of Rs 1,000/ as per details of invpice noted in the margin. It is ascertained

17	X 100	= 1700
600	X 10	= 6000
800	X 5	= 4000
7	X 1	= 7
2 anna nickle		1000
Rs		12,707

from the taluk Shroff that he gave away to the District Shroff only the bag of small coins and seven one rupee notes for testing on 27-12-26 and brought back the box with the rest of the contents (viz Rs 11,700/-) with an additional sum of Rs 5,620-8-0 which made up the R. T. R. amount of Rs 17,320-8-0. As the Taluk transaction had been practically closed that day, the sealed box was kept in the Treasury and amount credited. If the box had really contained the notes of the denomination mentioned in the Invoice (noted in the margin above) they should have found an entry in the double lock register, since there was no exchange of notes at the Taluk Treasury after the box was received but the denominations as entered ~~as entered~~ in the double lock register on 27-12-26 are quite different and are as noted in the margin. Instead of seventeen hundred rupee notes which could have found an entry in the double lock register on that date, notes of smaller denomination have been entered with a view to deceive the Amildar at the time of monthly inspection by passing the bundles of smaller denomination notes as correct which the Amildar did not

G. C. Notes	
10X900	= 9000
5 X1400	= 7000
	Rs16000

Letter No.C.C.15/1926-27 dated 26th April 1927, from the Assistant Commissioner, Mysore Sub Division, to the Deputy Commissioner, Mysore District.

With reference to D.O. letter No.C.C.60/26-27 dated 6-4-27 from the Revenue Commissioner in Mysore, extracts of which were forwarded to me, I beg to submit herewith my further report in connection with the loss of Currency Notes of the Value of Rs. 13,000/- in the Mysore Taluk Treasury.

1. In answer to the points on which information is called for by the Government, the Amildar states that he inspected the cash in the Taluk Treasury once a month. The inspection does not appear to have been made in detail according to Rules. So far as currency notes are concerned he seems to have merely counted the packets each of which, he took on trust, contained hundred notes as is usually the case. He got counted in his presence only the loose notes which were less than a hundred in number. It does not appear that at least some - if not all - of the packets of hundred notes were actually tested by counting to presume that the rest of the packets contained hundred notes. The absence of a regular test check on every occasion of the inspection of a Treasury would afford an opportunity to an unscrupulous Shroff to put less than a hundred notes in each packet and pass off the packet as containing a full hundred notes. I strongly suspect that such fraud has been practised by the Shroff on the Amildar.

2. From a reference to the Double Lock Register it does not appear that, on every return from camp to Head Quarters, the Amildar has,'carefully varified the cash' as per old Article 223 M.A.C. Vol II amended as Article 14 J correction slip No. 20. As observed in the previous paragraph, even on regular monthly inspection days, the Amildar has taken on trust that each packet of Notes contained hundred notes not actually verifying whether each packet did contain that number.

that the Double lock has been always opened and closed by the Sheristedar only.

It has been reported that the Shroff does not appear to have had with him at any time, under Single lock, a sum more than his security deposit.

6. The counting of all notes has not been done by the Amildar himself.

7. The Sub Division Officer reports that neither he nor the Amildar had ever observed the use of the gunny bag. On the other hand a trunk is stated to have been purchased for the specific purpose of keeping notes.

8. Some of the inspection reports are now in the hands of the Police for investigation.

9. As the investigation in the case is not yet complete I request you to kindly treat this only as an interim report of a strictly confidential nature.

10. After the investigation is completed, I shall send the final report with all copies of inspection notes etc., and adjudicate the relative responsibility of the officers and submit proposals as regards making good the loss.

The Ex-Taluk Sheristedar Mr. P.N. Venkataraghava Iyengar, Honnaiya Shroff, and Head Gumasta B.Srikantaiya are now under custody.

Yours sincerely,

Subramanyam

(For Mr. A. V. Ramanathan)
absent from H.Qrs.

3. I have gone through the Shroff's cash book and the Sheristedar's book of transactions. It does not appear that the Shroff has at any time been allowed to have with him under Single Lock a sum more than his Security deposit amount. The Double Lock 'put it' and 'taken out' entries have been made invariably in the Sheristedar's own handwriting. No entries have been made in the Amildar's handwriting. From this it may be inferred that the Double Lock has been always opened and closed by the Sheristedar only. The Amildar admits this. A Double Lock register is maintained in Form No.3 prescribed for the Taluk Treasuries. The counting of notes on these occasions appears to have been made in the manner described in para 2 above.

4. My Inspection notes of the Mysore Taluk Treasury for the year 1925-26 have already been submitted. I have not yet inspected this Treasury in detail this year. It may be mentioned here that the Amildar who frequently inspects the Treasury, however carelessly it may be, states that he never observed the gunny bag in use at any time. According to him it is a recent introduction. It is only the Sheristedar, however, who states that it has been in use always. His statement has to be taken for what it is worth. He has permitted the use of the bag although a tin box had been bought expressly for the purpose of keeping the Notes.

5. As directed by the Deputy Commissioner, I have been helping the Police investigation in this case. It may be said at the very outset that the accused in this case i.e., the previous Sheristedar, the Head Gumasta and the Shroff, are all making a series of false statements. Each person is contradicting himself as occasion suits him. One fact has been made clear that one or two days prior to the Inspection of a superior Officer - the Deputy Commissioner, District Treasury Officer or the Sub Division Officer - the Treasury Staff have taken care to despatch a large remittance to the District Treasury. This

has stated that when he delivered over the keys to the Head Gumasta before the latter conducted the transactions on the 5th he fully realised that he handed over charge of the Treasury finally to the Head Gumasta. Under these circumstances he ought not have received back the key without the knowledge of the Amildar even if the Head Gumasta offered to return them to him. The Head Gumasta, the previous Sheristedar, and the New Sheristedar, have all been making contradictory and inconsistent statements as to who had the keys and who delivered them to the new Sheristedar on the 7th March. It is clear from the above that no care was taken regarding the proper custody of the keys. A key register for receiving and delivering the keys was maintained sometime ago but not since the date of inspection of the District Treasury Officer in December 1926. Thus there has been gross negligence in the matter of even the custody of the keys which have been in the possession of unauthorised persons.

The explanation of the Amildar on the points referred to him is submitted herewith.

"Copy"

For Deputy Commissioner,
Mysore District.

Treasury on the 29th March.

Submitted ~~xxx~~ to the Sub Division Officer,Mysore.

Sd/- V.S. Rajagopalachar,

Amildar.

8-4-1927
Mysore.

"Copy"

For Deputy Commissioner,
Mysore District.

Report dated the 25th April 1927 from the Superintendent of Police, Fremch-Rocks to the Inspector General of Police.

With reference to the D. O. dated the 22nd April 27 from Mr. G. Santhavirappa, asking me to report the result of the investigation in the Mysore Taluk Treasury defalcation case, I have the honor to state as follows:-

Mr. P. N. Venkataraghava Iyengar who is now under arrest, was the Taluk Sheristadar at Mysore till the evening of 4th March 1927 - on which date he sent a large remittance of Rs 62,500/- to the District Treasury and handed over double lock keys at the end of the day to the Nagadi Gumastha to be delivered to the Head Gumastha, as he was under orders of transfer to Mandya and was directed by the Amildar to hand over charge of the Treasury to the Head Gumastha. The latter conducted the transactions on the 5th March and at the end of the day again gave back the keys to Mr. P. N. Venkataraghava Iyengar which is highly irregular and against rules. The 6th March being Sunday, the keys were detained by Mr. P.N.Venkataraghava Iyengar and were delivered to the new Sheristadar, Mr. K. Rangaswami Iyengar on the morning of 7th March. There is some inconsistency regarding the person that actually handed over keys to the new Sheristadar. While the new Sheristadar states that it was the Head Gumastha that handed over keys to him on the forenoon of 7th March, the Head Gumastha states that it was the previous Sheristadar that handed over the keys to the new Sheristadar. The latter is not consistent in his statements. Once he says he handed over charge to the Head Gumastha on 4th March and never took back the keys and at other time he says that he himself handed over charge of the Treasury to the new Sheristadar. Mr. K. Rangaswami Iyengar did not check the double lock balance immediately he took charge of the keys. He kept quite till the 9th and checked the balance on the evening of that date and says that he found it correct. On the morning of the 13th he left for Gundlapet

that the amount misappropriated aggregated to Rs 13,000/- in October last, that no money has been touched since October last when the previous Sheristadar received an order of transfer which was subsequently cancelled, that it was not possible for the Inspecting officers to detect the defalcation earler since particular care was taken to maintain correct balamces on the dates of inspection by sending remittances to the District Treasury containing shortage to the extent of misappropriation a few days prior to the dates of inspection and beginning of the month which invariably used to lie untested in the District Treasury at the time of Inspection of the taluk treasury, that after the date of inspection the shortage in the remittance used to be made good by the Shroff by taking the currency notes from the double lock and handing them over to the District Shroff who was in league with him, at the time of shroffing the remittance and that accordingly currency notes to the value of Rs 13,000/- were removed by the Shroff from the double lock on the morning of 14th March when Head Gumastha was in charge of the Treasury with a view to replace the shortage to that extent which was in the remittance sent to the District Treasury by the previous Sheristadar on the 4th March 1927. This is indeed a novel procedure by which they were able to defalcate the amount unnoticed for a long period. Probably the defalcation would not have been detected even on the 29th and would have gone on for some time more, if shroff Honnaiya had not gone on leave or had returned a day earlier than the date on which the new sheristadar checked the contents of the double lock, for sending the remittance, since he could have easily persuaded the new Sheristadar to send only a smaller remittance. The detection of this defalcation could have been possible only if surprise inspection of the cash had been held at a time when there was no untested remittance in the District Treasury. Hence the Amildar could have easily found out the shortage in the double lock if he had carefully counted the notes at the time of his inspection on these dates. He

No.A.3873-26 Office of the District Magistrate,
Mysore District,
Dated Mysore, 8th July 1927.

P 260
12-7-27

From A.V. Ramanathan, Esq., B.A.,
District Magistrate, Mysore District.

To N. Madhava Rao, Esq., B.A., B.L.,
Chief Secretary to the Government
of Mysore, B a n g a l o r e.

Sir,

MYSORE TALUK TREASURY DEFALCATION CASE.

I have the honour to forward herewith copies of further evidence, obtained from the City Magistrate's Court Mysore in the defalcation case of the Mysore taluk Treasury for information.

I have the honour to be,
Sir,
Your most obedient servant,

District Magistrate,
Mysore District.

CMS.

Questions by Sub Division Officer.	Answers by the Sheristedar Mr. Rangaswami Iyengar.
1. Did you actually verify the cash and currency notes on the evening of the 26th instant in the presence of Shroff Honniah at the time of closing the Treasury and permitting him to go ?	1. I did not verify the cash and currency notes on the 26th instant in the presence of Shroff Honniah at the time of closing the Treasury and permitting him to go.
2. Do you regularly send the keys of the Treasury to the Amildar every evening when he is at Head Quarters and get it back from him to open the Treasury the next day ? Is a register maintained for the purpose of acknowledging the receipt of the keys ?	Yes. The Key Register is maintained. But no entries since the middle of December.
3. When did you last actually verify the contents of the Double-lock Box ?	3. I verified the contents of the Double-lock Box on the 7th instant.
4. When you took over charge of the Treasury from your predecessor was ~~there, was~~ there a gunny bag used for keeping currency notes ?	4. I assumed charge from the Head Gumasta and the gunny bag was in existence there.
5. When was the trunk bought for keeping the currency notes and why was it not brought into use for keeping the notes?	5. The trunk was purchased about a month back. I pressed twice for its being used, but the Shroff said using the gunny bag was mamool and the trunk was not necessary as the notes will be sent to District Treasury now and then.
6. Were you counting out the currency notes in the Double Lock every time you were putting in and taking them out ? Also, were you counting the notes at the time of closing the Treasury in the evening to ascertain that the actual number of notes in the Double-lock was correct according to the Double lock Register and Shroff's Cash Book ?	6. I was not counting currency notes in the Double lock when putting in or taking them out or at the time of closing the Treasury in the evening to ascertain the actual number of notes in the double lock was correct.

purpose. His explanation that he permitted the keeping of the notes in the gunny bag merely because he was told by the Shroff that it was the " Mamool " is a lame one. He was the master of the Shroff and not the latter his master. He ought to have brought this unsafe way of keeping the notes to the notice of the Amildar to put a stop to the practice granting that it wa in vogue. The Amildar states that he - never observed the gunny bag in use when he inspected the Treasury on the 1st instant. It has to be enquired into whether the former Sheristedar had permitted its use between the 1st and the 4th instants. The Double Lock Register shows that the entry for every amount passed out of Double Lock has been made by the Sheristedar in his own hand. This appears to be merely a formal entryand valueless without varification of the contents at the end of the day.

When I casually questioned the Shroff he stated that the Sheristedar relieved him on the 26th afternoon after examining the contents of the Double Lock and satisfying himself that it was correct.

The Explanation of the Sheristedar to some of my questions is enclosed for favour of perusal.

As there was strong suspicion against the shroff the Amildar has lodged a criminal complaint against him before the Assistant Superintendent of Police. I am informed that the accused has been - arrested and police investigation is going on.

Yours Sincerely,

To

A. V. Ramanathan, Esq., B.A.,

General and Revenue Secretariat.

R.M. File No. 15 of 192 7.

Serial No.

For making good the loss sustained by Govt.

It needs no elaboration or argument to show that the responsibility vested in the Collector by the Accounts code and rules as the officer in charge of the Dy. Dy has not been properly discharged and that his neglect of duty especially in the matter of inspection of cash balances in the Dy has given scope for this defalcation.

41) Vide also para 3. of Compln note dy 18.8.27.

42) I submit that, with the report of the D.C. and the recommendation of the R.C. hereon Govt will have no room ground in coming to a settlement as regards the measures for the recovery of the lost amounts from the supervising officers &c.

43) In the meantime the trial of the Sessions may also be finished.

20/12/27. M.V.

44) A report from D.C. as suggested by the Taluk may perhaps be called -

5°1576 22/12

1st Mem^r 45) Yes 22/12

22/12

46) Ans

NOTE—Contn. sheet.

WD 2293—GPB—10,000—4-5-27

7. Did you always open the Double lock yourself, or were you merely sending the keys through the peon or the Shroff to open the Double Lock ? Was the Shroff also always present when opening the Double Lock ?

7. I used to open the Double Lock myself in the presence of the Shroff.

8. How many peons were permitted to go into the Treasury Chamber to bring out or put in money into the Double Lock ? Their names should be given.

8. Gollar Hanumantha Rao and Peon Javara were being permitted to go into the Treasury Chamber to bring out or put in money into the Double Lock.

9. On the occasions that the Head Gumasta was in-charge of the Treasury for a whole day i.e., on 22nd instant when you had to go out to conduct sales etc., did you actually count out the contents of the Double Lock both at the time of putting him in-charge of the Treasury as well as when taking charge from him ? If not, how else did he conduct the transactions of the Treasury ? Had the Head Gumasta been given the Double Lock Keys

9. When I had been out to conduct sales etc., I did not actually count out the contents of the Double Lock, both at the time of putting him in-charge of the Treasury as well as when taking charge from him. The Head Gumasta had been given with the Double Lock Keys.

10. It is observed that on some days e.g., on 11th, 14th 18th and 26th, both the Head Gumasta and yourself have each separately conducted some transactions. Had the Head Gumasta been given the Double Lock Keys ?

10. When Head Gumasta and myself have both transacted, I had given the Double Lock Key to the Head Gumasta.

11. You seem to have been present at and conducted the two last transactions (Chellan Nos. 150 and 154). Why did you not sign your book at the close of the day ?

11. On the 14th I had been to Kalastavadi to hold a sale. I left Office at about 3-30 P.M. entrusted my Cash Book to Head Gumasta to receive with Chellans if there would be any and close the transactions.

(sd) Ramaswamy

"Copy"

Deputy Commissioner

him one day casual leave. The Shroff is said to have left the place the very night to Mandya and returned to duty on the 29th i.e., yesterday at 1-15- P.M. I had to go towards Chatnahalli on the 28th and halted there after my inspection and enquiry of collections in the adjoining villages and returned here only yesterday.

The Taluk Sheristedar came to me at 2 P.M. yesterday and informed that he opened the Treasury at 11 A.M. in order to send remittance to the District Treasury and found Rs.13000/- in all, currency notes of Rs.10/- in the value of Rs.8000/- and of Rs.5/- to the value of Rs.5000/- tied up in two bundles, missing from the bag and then waited for the arrival of the Shroff to ascertain him first and then report to me and that the Shroff denied all knowledge etc. I at once inspected the Treasury and found the same thing and reported the matter to you and the Deputy Commissioner. The notes were put in a small gunny bag and kept in the double lock box though a trunk had been purchased recently for the purpose.

In this connection, I beg to state that you should consider, if it would be possible for the Amildar to be present at all times while opening and closing the Treasury room and double lock box. Every morning I had to go out on various business and return sometime very late and could not attend office at 11 or 12 noon. The Sheristedar alone had to be trusted. It is only while closing, I may be present sometimes and see if the boxes and doors are properly locked and sealed. It is not at all possible for an Amildar to check every time all amount in the box and besides, no money was taken out from the box during this month, but only added on. If I could not trust the Sheristedar, whom else can I trust and how can the work to get on, is a matter, I leave, for your kind consideration.

Except on the 1st instant, I have not checked the amount in the box till the 29th

PTROLLER TO THE GOVERNMENT
OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. TAD-A-1864 C/2

Dated, 5th April 1927.

FROM

S. SHAMANNA, Esq., B.A.,
Comptroller to the Government of
His Highness the Maharaja of Mysore,
BANGALORE.

4201

B.Srinivasa Iyengar, Esq., B.A., B.L.,
Secretary to the Government of Mysore,
Financial Department.

I have the honour to state that the Deputy Commissioner, Mysore District reports that currency notes of the value of Rs.13,000 were found short in the Mysore Taluk Treasury on the 29th March 1927 and that a sum of Rs.140/- has been recovered so far from one Mandrayya, a relative of the Shroff of the Taluk Treasury.

2. A copy of Deputy Commissioner's letter dated 30th March 1927 together with copies of its enclosures furnishing full particulars as to how the shortage occurred is enclosed for reference. It is stated by the Deputy Commissioner that the loss is entirely due to the Treasury officers not having followed the rules prescribed for the receiving into and issuing from double locks, coin and notes as also the preservation of notes in the double locks and for the checking of the closing balance daily.

3. On receipt of the final report from the Deputy Commissioner I shall report if there is any defect in the Accounts which led to this loss.

I have the honor to be,
Sir
Your most obedient servant,
Comptroller.

Immediate and Confidential.

Office of the Deputy Commissioner,
Mysore District.
Dated, Mysore, 30th March 1927.

From

A.V. Ramanathan, Esq., B.A.,
Deputy Commissioner, Mysore District.

To

P.G. D'Souza, Esq., B.A., B.L.,
Revenue Commissioner in Mysore, Bangalore.

Shortage - Rs.13,000/- Currency Notes - Mysore Taluk Treasury.

Sir,

In continuation of my letter No.D.O.175 dated 29th March 1927 on the above subject, I have the honour to forward herewith copy of the Mysore Sub Division Officer's report No.C.C.12/26-27 of this date giving the results of his investigation and copy of the explanation of the Taluk Shirestedar.

There is no doubt that the loss has occurred owing to the gross carelessness and negligence on the part of the Taluk Sheristedar in dealing with the Double Lock Store. I have therefore placed the Sheristedar under suspension pending further investigation and orders under Article 58 M.A.C. Vol. II, the Amildar should have personally opened the Double Lock Store whenever it had to be opened during his presence at Head Quarters. I have instructed the Sub Division Officer to verify how many such occasions there have been since 1st March 1927 by a comparison of the Double Lock Register and the Amildar's diary and take and submit the Amildar's explanation in this respect. Article 240 M.A.C. Vol.II has also been lost sight of in this case.

The Shroff against whom there is strong suspecion is in Police Custody, and the Assistant Superintendent of Police Mr. Siddaraj Urs and the Division Inspector Mr. Purnachar are giving their personal attention to the case. The Assistant Superintendent informs me that currency notes of the value of Rs.140/- have already been recovered from one Manchayya, a relative of the Shroff. The District Superintendent

of Police, French Rocks Mr. R.P. Mallappa has himself proceeded to Chakanahalli in Mandya Taluk to make local enquiry and search and recover the amount, if any, left by the Shroff with his relatives or friends or creditors during his stay there on Sunday and Monday.

I shall report further progress tomorrow and also submit the Amildar's explanation.

I have the honour to be,

Sir,

Your most obedient servant,

Sd. A.V. Ramanathan,

Deputy Commissioner,

Mysore District.

Copy of the above with copy of the enclosures is forwarded with compliments to the Comptroller, Mysore Government, Bangalore.

Sd. A.V. Ramanathan,

Deputy Commissioner,

Mysore District.

Questions by Sub Division Officer.	Answers by the Sheristedar Mr. Rangaswami Iyengar.
1. Did you actually verify the cash and currency notes on the evening of the 26th instant in the presence of Shroff Honniah at the time of closing the Treasury and permitting him to go?	1. I did not verify the cash and currency notes on the 26th instant in the presence of Shroff Honniah at the time of closing the Treasury and permitting him to go.
2. Do you regularly send the keys of the Treasury to the Amildar every evening when he is at Head Quarters and get it back from him to open the	2. Yes. The Key Register is maintained. But no entries since the middle of December.

(22

the Treasury the next day?
Is a register maintained
for the purpose of acknowledg-
ing the receipt of the keys?

3. When did you last actually verify the contents of the Double lock Box ?

3. I verified the contents of the double lock Box on the 7th instant.

4. When you took over charge of the Treasury from your predecessor was there a gunny bag used for keeping currency Notes ?

4. I assumed charge from the Head Gumasta and the gunny bag was in existence then.

5. When was the trunk bought for keeping the currency notes and why was it not brought into use for keeping the notes ?

5. The trunk was purchased about a month back. I pressed twice for its being used but the Shroff said using the gunny bag was mamool and the trunk was not necessary as the notes will be sent to District Treasury now and then.

6. Were you counting out the currency notes in the Double Lock every time you were putting in and taking them out ? Also, were you counting the notes at the time of closing the Treasury in the evening to ascertain that the actual number of notes in the Double-lock was correct according to the Double lock Register. and Shroff's Cash Book ?

6. I was not counting currency notes in the Double lock when putting in or taking them out or at the time of closing the Treasury in the evening to ascertain the actual number of notes in the double lock was correct.

7. Did you always open the Double lock yourself, or were you merely sending the keys through the peon or the Shroff to open the

7. I used to open the Double Lock myself in the presence of the Shroff.

General and Revenue Secretariat. | Rev File No. 15 of 192 .

Serial No.

X. X

Beyond Carelessness, there is nothing else said against him. His pension seems to have been held up pending disposal of the case and some orders about that appear to be necessary.

As to the responsibility of the District Treasury, the delay in testing the remittances seems to have been repeatedly noticed there. Mr. Basavaraj Urs, Dy. Try. Officer observed on 21.12.26: "The remittance from the Taluk Try. is always being received late. It is not sent with the idea of ~~keeping the box~~ verifying the amount the same day but with the idea of keeping the box in custody for days & days together and then at their leisure sending the shroff for verification. This system is certainly bad." This shows that the delay had become habitual and reminders from the District Try. seem to have had no effect. No suspicion was however aroused and no stringent measures were perhaps adopted. It is also possible that the Taluk shroff could not have systematically introduced fresh money into the remittance box before actual testing, without the knowledge of any of the Dt. Try. Officials.

NOTE—Contn. sheet.

WD 0824—GPB—60,000—24-5-27

the Double Lock ? Was the Shroff also always present when opening the Double Lock ?

8. How many peons were permitted to go into the Treasury Chamber to bring out or put in money into the Double Lock ? Their names should be given.

8. Collar Hanumantha Rao and peon Javara were being permitted to go into the Treasury Chamber to bring out or put in money into the Double Lock.

9. On the occasions that the Head Gumasta was in charge of the Treasury for a whole day, i.e., on 22nd instant when you had to go out to conduct sales, etc., did you actually count out the contents of the Double Lock both at the time of putting him incharge of the Treasury as well as when taking charge from him ? If not, how else did he conduct the transactions of the Treasury ? Had the Head Gumasta been given the Double Lock Keys,?

9. When I had been out to condut sales, etc., I did not actually count out the contents of the Double Lock, both at the time of putting him in charge of the Treasury as well as when taking charge from him. The Head Gumasta had been given with the Double Lock Keys.

10. It is observed that on some days e.g., on 11th, 14th, 18th and 26th both the Head Gumasta and yourself have each separately conducted some transactions. Had the Head Gumasta been given the Double Lock Keys?

10. When Head Gumasta, and myself have both transacted I had given the Double Lock Key to the Head Gumasta.

11. You seem to have been present at and conducted the two last transactions (chellan Nos. 150 and 154). Why did you not sign your

11. On the 14th I had been to Kalastavadi to hold a sale. I left office at about 3-30 P.M. entrusted my Cash Book to Head Gumasta to

your book at the close of the day.?

to receive with chellans if there would be any and close the transactions.

Sd. Ramaswamiengar.

"Copy".

Sd. A.V. Ramanathan,

Deputy Commissioner.

No.C.C.No.12/26-27.

Office of the Assistant Commissioner,

Mysore Sub Division,

Dated, Mysore, the 30th March 1927.

Dear sir,

I beg to state that as directed by you and requested by the Amildar, I went over to the Mysore Taluk Treasury immediately at about 3.45 P.M. yesterday to enquire into a reported defalcation of Rs.13,000/- The Amildar was already engaged in inspecting the cash in the Double-Locks. I verified the cash myself also along with him. It was ascertained that the amount under coins was correct, according to the double-locks Register. But under Currency Notes there was a shortage of Rs. 8,000/- in ten-rupee currency notes and a shortage of Rs.5,000/- in five rupee currency notes. The amount under other denominations of currency notes was correct.

As personally explained to you Honnaih, Shroff is at present suspected of having committed the embezzlement of this large amount. He was given a day's casual leave and availed himself of it from the evening of Saturday (26th March 1927) to go to Chakanahalli in Mandya Taluk to fulfil a vow at the Jatra. In his absence, the Treasury Transactions of 27th instant were conducted by Gollar Hanumantha Rao. Honniah returned to duty yesterday in the afternoon at about 1 P.M. The defalcation was discovered when the contents of the Double-Locks box were scrutinised in order to despatch a remittance to the District Treasury. The Sheristedar reported the matter at 2 P.M. to the Amildar who had just then returned from Chettahalli camp.

On enquiry I learn that a small gunny bag was being used for keeping the currency notes instead of a box with a lock and key which had been bought about a month ago for the purpose of keeping the currency notes. I found this box outside the Double-Lock. It is stated that the gunny bag came to be in use as the small tin box - at one time used for the purpose - was damaged from long usage and would not hold all the bundles of notes and that excess of notes used to be merely tied with a string into bundles, put into a net bag and placed in the Double locks box. The Amildar says that the gunny bag is a recent introduction, that he had never seen it in use at any time during his inspection of the Treasury, and that he would never have permitted its use. The Sheristedar says that he found it in use when he took over charge and that when he objected to its use the shroff told him that it has been in use as per "Mamool". Its use was therefore continued by the present Sheristedar. It would have been well if he had been more firm in the matter and reported the use of this unauthorised receptacle for notes to the Amildar. It may be seen from the above that no adequate precautions were being taken for the safe custody of the notes. The notes should have been kept in a box under lock and key and the key always kept with the Sheristedar at least. The loose and unsafe manner in which they were kept has given a good change to an unscrupulous person to ~~steal~~ steal the notes. The Head Gumasta says that sometimes when there was an excess of notes these used to be put in the gunny bag.

It is also to be regretted very much that not even the Sheristedar is in the habit of examining daily the contents of the Double-Lock Box in the evening at the time of closing the Treasury before signing the Shroff's Cash balance report. The Sheristedar admits that he did not check the contents on the 26th evening when he permitted Shroff Honnaih to go on leave. He did not verify the cash

cash even on the evening of the 27th. He has merely in words certified to the cash being correct, in the shroff's daily cash book. There is nothing to show that the contents of the Double-Lock Box have been verified by the Amildar when he has been present at Head-quarters. What is worse is that Currency Notes have been put in and issued out but without verifying the correctness of the number actually on hand after comparison with the figure mentioned in the Double-Lock Register or the Shroff's cash book.

The present Sheristedar took over charge on the 7th instant from the Head Gumasta who relieved the former Sheristedar Mr. Venkataraghaviengar on the 4th instant. The present Sheristedar states that the cash and currency notes were correct according to the Register on the 7th instant when he took over charge. Since the advent of the present Sheristedar, Head Gumasta, B. Srikantiah has been in charge of the Treasury for a whole day and conducted all the transactions on the 22nd. Both the Sheristedar and the Head Gumasta have conducted transactions separately for some items each during the course of one and the same day on the 11th, 14th, 18th and 26th instants. On the 14th the Head Gumasta has conducted all the transactions except the last two which, the Sheristedar admits were conducted by him and recorded in his hand writing in the Sheristedar's book. The Sheristedar says that he availed himself of Sunday at Gundlepet, arrived late on the 14th, conducted two transactions and left for Kalastavadi to conduct the sales. On the 18th a few transactions in the middle of the day have been conducted by the Head Gumasta, the opening and closing transactions have been conducted by the Sheristedar. The Sheristedar states that on these occasions he entrusted the Head Gumasta with the keys of the Double lock box but did not count ~~xxx~~ out the cash and notes on hand, either at the time of putting the Head Gumasta in charge or while taking charge from the Head Gumasta. ~~in charge or while taking charge from the Head~~

Such interruptions in the course of regular conduct of transactions during the same day are not conducive to the safety of the cash or correct writing up of the accounts and lead to irresponsibility. The Head Gumasta corroborates the Sheristedar and admits that he was being entrusted with the key of the Double Lock. The Head Gumasta was last in charge of the Treasury on 22nd March 1927. He states that on that day he actually counted the bundles of notes and found them to be correct.

The Shroff's diary cash book is being improperly written up. All the transactions are not being recorded by the Shroff in his own hand. A Gollar has been given to the shroff as an Assistant. This Gollar has also been generally in the habit of writing up transactions for shroff. The record of the Specie and currency notes in the Double and Single Lock on the evening of the 26th instant appears as if it had been written up only on the 28th morning before beginning to write up the transactions of the 28th. But on the 26th alone and on the previous page the Sheristedar has certified that the "Balance has been found correct". This is a serious irregularity.

The Shroff's Cash Book does not appear to have been taken to the Admilar at the time of obtaining the Amildar's signature to the daily cash balance report.

The last remittance of currency notes has been on 4-3-27, when notes of the value of Rs.43,350/- were sent to the District Treasury, still retaining in the Taluk Treasury currency notes of the value of Rs.15,975/- in addition to Rs.3,000/- in cash in rupees. At least Rs. 13,000/- more in notes could have been sent to the District Treasury. This is a District Head Quarter and whatever money was needed in case of a sudden demand could have been met by getting it from the District Treasury. Since that date

date there have always been more notes, especially of ten rupee and five rupee denominations received than issued. During the period 5th to 26th instant the Double lock has been opened on 17 days, but the Double Lock Register has been initialled by the Amildar only on five occasions on the 10th, 16th, 21st, 23rd, and 25th.

It may be seen from the above that the defalcation is due to neglecting to examine the contents of the Double Lock in the evening at the time of the closing of the transactions before certifying to the correctness of the statement of Specie and notes under the Double Lock. Under the circumstances, the certificate in the Shroff's Cash Balance is valueless. It should not have been indulged in as a matter of routine. I am very doubtful whether the Sheristedar has always gone in person to open the Double Lock Box and whether he did not merely send the key either with the Collar or the peons. If he had always opened the Double Lock himself there would have been no room unless it be himself - to remove the currency notes without his knowledge. It was absurd to have permitted the keeping of the notes in a gunny bag when there was a box provided with a lock and key was purchased for the purpose. His explanation that he permitted the keeping of the notes in the gunny bag merely because he was told by the Shroff that it was the "Mamool" is a lame one. He was the master of the Shroff and not the latter his master. He ought to have brought this unsafe way of keeping the notes to the notice of the Amildar to put a stop to the practice granting that it was in vogue. The Amildar states that he never observed the gunny bag in use when he inspected the Treasury on the 1st instant. It has to be enquired into whether the former Sheristedar had permitted its use between the 1st and the 4th instants. The Double Lock Register shows that the entry for every amount passed out of Double Lock has been made

made by the Sheristedar in his own hand. This appears to be merely a formal entry and valueless without varification of the contents at the end of the day.

When I casually questioned the Shroff he stated that the Sheristedar relieved him on the 26th afternoon after examining the contents of the Double Lock and satisfying himself that it was correct.

The explanation of the Sheristedar to some of my questions is enclosed for favour of perusal.

As there was strong suspicion against the shroff the Amildar has lodged a criminal complaint against him before the Assistant Superintendent of Police. I am informed that the accused has been arrested and police investigation is going on.

Yours sincerely,

Sd.

To

A.V. Ramanathan, Esq., B.A.,
Deputy Commissioner, Mysore District,
Mysore.

"Copy".

Superintendent, Records Section,
Comptroller's Office, Bangalore.

S.S.

R 742 30/7/28 39

App. F. III—2]

General and Revenue Secretariat.

R. No. File No. 15 of 192 .

Serial No.

The amount shown against the sheriff is Rs 3250 while his property is valued at Rs 765 only. The value of the property owned by the Hon'ble Executive who is to be responsible for Rs 300 is not given.

At best the assessment can only be on an arbitrary basis, but in the circumstances of the case it cannot be helped.

Between the Sheriff & the sheriff who are to recover Rs 7800, Rs seventy-eight will fetch only Rs 2325. This excludes the property of the Sheriff's wife & son. So the recovery of the balance of Rs 5485 is doubtful. Rs 650 will have to be remitted as Mrs Basawaraja Rs 5 & Baboo Rao Rs 645 dead.

The H. Dey may be commended as well as the Legal Remembrancer.

Ch. Dey 30/7

CHIEF SECRETARY. 30 JULY 1928

NOTE—Contn. sheet.

WD 0824—GPB—60,000—24-5-27

N O T E.

I have seen the Deputy Commissioner's reports and the Revenue Commissioner's letter about the Mysore Taluk Treasury defalcation and also the evidence of the witnesses examined.

2. It is seen that the shortage in the cash balance occurred alternately in (1) the cash balance in the -- Treasury, when there was no untested remittance to the District Treasury and (2) the remittance from the Taluk Treasury to the District Treasury, when such remittance remained untested in the District Treasury .

3. The shortage in (1) remained undetected because (a) the custodians of the money in the Taluk Treasury viz. the Sheristadar and the Shroff were in league (b) the Amildar did not carefully check the cash balance during his inspections on the last day of the month and on his return to Head Quarters from tour when the Treasury was in charge of the Sheristadar during his absence and was not personally present when taking out or putting in money (Article ~~56~~ 331(9) M.A.C. II)and Article ~~223~~ 312. M.A.C. II) and (2) ~~when~~ just before the time of inspections of higher officers the Sheristadar invariably managed to have a remittance sent to the District Treasury which would -- remain untested in the District Treasury on the date of inspection. It is also stated that on one occasion when the Deputy Commissioner inspected the Treasury, the shortage in the Treasury balance was made good temporarily from the imprest balance.

4. The Revenue Commissioner's Circular to Deputy Commissioners emphasising the necessity of properly inspecting Treasury balances and holding surprise inspections also

meets the situation so far as the above mentioned reasons go.

Vide resolution recorded at the By Commrs meeting at Ooty on 14th and 15th June 1917 4

5. One more point has to be mentioned therein viz that during Treasury inspections, the imprest and other cash balances should also be simultaneously examined so that frauds may not be covered from temporary borrowing from other - - sources. This is a well known precaution enjoined on every Auditor required to examine cash balance. It is however not specifically mentioned in the account code because it was considered superfluous as with the precautions prescribed for taking out and putting in money in the Treasury Chamber, it is not possible for any other cash to get mixed up with Treasury Cash. However as the present case shows the possibility of such a contingency in Taluk Treasuries a rule to this effect may be introduced.

6. The Revenue Commissioner's Circular has however not considered the aspects of the case relating to the occurrence of the shortage in the untested Treasury remittance. I have obtained from the Deputy Commissioner a statement showing the dates on which remittances were sent ~~and the dates on which remittances were sent~~ and the dates on which their examination was over. The evidence of the District Treasury Shroff also gives particulars regarding these dates. The shortage in the remittance could have been prevented or detected earlier if the following rules laid down by the Code had strictly been followed:-

(1) The Treasury Officer remitting the treasure should see that cash bags are placed in remittance boxes and sealed in his presence and currency note packets are made up and sealed in his presence. (Articles ~~251~~ 586 & ~~265 (a)~~ 592. M.A.C. Vol.II.)

(2) At the receiving Treasury the examination of the

M E M O.

With reference to several points for report, called for in the Deputy Commissioner's Memo of 7-4-1927, I beg to state as follows:-

(1) I have inspected the Treasury on the 1st of every month except on the 1st of February 1927 since I was in Madras then.

(2) I have checked the cash by taking out a bag and counted the other bags as they were and as regards currency notes, I have checked all Rs.100/- and Rs.50/- notes and counted by bundles the other notes viz., of Rs.10/- and Rs.5/- and counted all loose notes which were not formed into bundles. The Shroff use to count them all in my presence.

(3) On no occasion, as far as I know, the Shroff was entrusted with more than Rs.500/- which is covered by his security deposit and the Double Lock box was opened by the Sheristedar whenever money was put in or taken out, as the Amildar would not be available at the time.

(4) The counting of Currency notes was done by the Shroff in my presence by merely counting the packets, and counting only loose notes which were not formed into bundles at the time of my inspection on the 1st of every month.

(5) All Currency Notes had been kept in a small tin box and when it was full the remaining bundles in a net bag, and on no occasion during my inspection the gunny bag referred to was seen by me. Recently a trunk had been purchased for keeping currency notes, but it was not in use when I inspected the

availing himself of Sunday and handing over Treasury and double lock keys to the Head Gumastha and returned at about 3 P.M. on the 14th and immediately left for conducting some revenue sales. The Head Gumastha was in charge of the Treasury on the 14th and handed over the keys to the new Sheristadar at the end of the day. The Shroff Honnaiya was granted a day's casual leave on the 28th with permission to utilise Sunday 27th. He left Mysore on the night of 26th handing over his keys to the Gollar Hanumantha Rao. The contents of the double lock were never checked by the Sheristadar either on 15th when he took charge of the keys from the Head Gumastha or on 26th when the Shroff handed over keys to the Gollar. After the Shroff left Mysore, there was a telephone message from the District Treasury to send up the taluk remittance immediately as per requisition which had been received in the taluk office on 9-3-27 and had been detained in the Munshi branch till 23-3-27 on which date it was brought to the knowledge of the new Sheristadar. The latter with a view to send the remittance got the double lock opened on the morning of 29th when he noticed the loss of Rs 13,000/- in the double lock. He waited until the Shroff returned to duty at about 1 P.M. and when the Shroff denied all knowledge of the loss, he reported the matter to the Amildar. In fact the contents of the double lock were never examined by the new Sheristadar from 15th 29th though there were 'put in' and 'taken out' on some days during the interval. The Shroff Honnaiya was arrested on suspicion on 29th and a preliminary charge sheet has since been placed against him under section 409 Indian Penal Code before the City Magistrate who has remanded him to the District lock-up. The previous Sheristadar Mr. P.N.Venkataraghava Iyengar and the Head Gumastha Srikantaiya are under arrest.

From the investigation so far made it is disclosed that the loss of Rs 13,000/- is not of one day that the misappropriation of the amount by the previous Sheristadar, the Head Gumastha and the Shroff has been going on for some time past,

(For Disposal at a Meeting)

No. C. 118

of 1928-29

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT

(clause XXVII of the schedule)

Allocation of responsibility in connection with the recent case of defalcation in the Mysore Taluk Treasury, and the question of recovering the loss from the officers responsible.

---:0:---

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

Chief Secretary to Government.

26th September 1928.

First Member of Council. (Seen).

Second Member of Council. (Seen).

Third Member of Council.

3398/28/29

D2

1-12-25
1- 2-26
1- 4-26
1- 1-27
7- 2-27
1- 3-27

his gross negligence and states that he was only in the habit of handling hundred rupee notes and used to get bundles of other denomination notes counted in his presence. The Shroff was able to deceive the Amildar by probably counting more bundles than actually were at the time of monthly inspections.

It is not possible to fix the actual date on which defalcation commenced. The Deputy Commissioner has inspected the Treasury on 15-6-25 and has certified the contents of the double lock to be correct. Since there was no untested remittance pending in the District Treasury at the time of inspection, this date may conveniently be taken as the starting point for purposes of investigation but it can not be definitely said that there was no misappropriation earlier because there was an imprest amount of Rs 3,416-9-10 on that date in the Treasury which was not checked by the Deputy Commissioner and it was quite possible to have diverted money from the imprest to the double lock on the date of inspection, if there had been a shortage in the double lock to a smaller extent than the imprest. This imprest amount sometimes ran to Rs 10,000/- in July, August and September 1925. As it was left with the Shroff and the Sheristadar, it might have been very handy and could easily be available for any manipulation and adjustment of the shortage either in the double lock or in the untested remittance This imprest was not checked by the inspecting officers nor by the Amildar who has merely initialled the register for having seen it.

So far as the accounts are concerned it is rather hard to find any defects but there are two circumstances which provide useful evidence for the prosecution against the Shroff and the Sheristadar. On 31-12-25 one Mr. Shellam Iyengar, Veterinarian, Palace Stables presented a cheque for Rs 6,310/- for encashment at the Taluk Treasury and wanted payment to be made in currency notes. Though according to book figures there should have been currency notes in the double

double lock to the value of Rs 8,605/- payment was not made until a remittance of Rs 6,000/- in the form of currency notes was received from the District Treasury thereby showing that there might not have been enough notes in the double lock on that date for encashing the cheques before remittance was received. A remittance of Rs 15,000/- partly of currency notes to the value of Rs 5,100/- as noted in the margin was despatched on 1-12-25 which was finally tested on 17-12-25. Leaving out of account one rupee notes in determining the shortage since they are uncurrent, the maximum shortage on 17-12-25 may be fixed at Rs 4,875/- for purpose of calculation. Another circumstance favourable to the prosecution is that a remittance of Rs 17,650/- sent to the District Treasury on 21-12-26 was finally tested on 27-12-26 on which date the double lock balance was as low as Rs 6,535/- and the imprest amount was Rs 1,771/- Naturally there were not enough notes in the double lock to cover up the shortage in the remittance which had then risen to Rs 11,700/- according to investigation but luckily for the staff an R.T.R. was received on that date for Rs 17,320-8-0 in favor of the Amildar which was encashed at the District Treasury the same day. This saved the critical situation. One of the remittance boxes despatched on 21-12-26 contained Rs 11,707/- in the form of currency notes and one bag of small coins to the value of Rs 1,000 as per details of invoice noted in the margin. It is ascertained from the Taluk Shroff that he gave away to the District Shroff only the bag of small coins and seven one rupee notes for testing on 27-12-26 and brought back the bag with the rest of the contents (viz Rs 11,700/-) with an additional sum of Rs 5,620-8-0 which made up the R.T.R. amount of Rs 17,320-8-0. As the Taluk Treasury transaction had been practically closed that day, the sealed box was kept in the Treasury and amount credited. If the box had really contained the notes of the denomination mentioned in the invoice(noted in the margin above) they should have found an entry in the double lock register on 27-12-26 are quite different and are as noted in the margin. Instead of seventeen

10X200-2000
5x575-2875
4875
1x225- 225
Rs5100

G. C. Notes
17x100- 1700
600x10- 6000
800x5 - 4000
7x1 - 7
11707
2 anna 1000
nickle------
Rs 12707

C.C.Notes

Submitted to His Highness.

I submit herewith a Final Note by the Second *Member of Council on the subject of* allocation of responsibility in connection with the recent case of defalcation in the Mysore Taluk Treasury and the question of recovering the loss from the officers responsible, *for His Highness' gracious approval.*

Mirza M. Ismail
Dewan.
16-10-28

Final Note by the Second Member of Council.

Subject:— Allocation of responsibility in connection with the recent case of defalcation in the Mysore Taluk Treasury and the question of recovering the loss from the officers responsible.

After judgment was delivered by the Sessions Judge of Mysore in regard to the embezzlement of Rs.13,000 that took place in the Mysore Taluk Treasury between the years 1925 and 1927, convicting the accused against whom charge sheets were placed in the case, the Revenue Commissioner was asked to submit a report in consultation with the Deputy Commissioner, Mysore, allocating the responsibility of the officers and officials in the case and the amounts to be recovered from them.

The Revenue Commissioner has accordingly submitted the following proposals made by the Deputy Commissioner, Mysore, with which he is in agreement:-

That the amount of loss to Government viz., Rs.13,000 may be recovered (if possible) as follows:-

	Rs.	
(i) Honnaiya, Taluk Shroff ...	3,250	(These three are the real culprits who have been convicted).
(ii) Venkataraghava Iyengar, (Taluk Sheristedar)	4,550	
(iii) Srikantaiya, (Head Gumasta) ...	1,300	
(iv) Mr. V.S. Rajagopalachar, Amildar	1,300	
(v) Krishnachar, Shroff, District Treasury.	1,300	
(vi) Mr. H. Ramanuja Iyengar, District Treasurer	500	
(vii) Mr. Bapu Rao, (District Treasurer)	500	
(viii) Mr. H. Basavaraj Urs, (District Treasury Officer),	150	
(ix) Mr. V.S. Vasudeva Rao, (District Treasury Officer)	100	
(x) Mr. G. Rudrappa, (District Treasury Officer)	50	
TOTAL ...	RS.13,000	

The above amounts have been assessed according to the complicity or responsibility of the officers or officials and according to

to the following classification:-

(i) Those privy to the fraud and who have benefitted by the embezzlement;

(ii) Those who have either connived at or abetted the fraud, though there is not sufficient evidence to connect them directly with it; and

(iii) Officers who by their neglect have facilitated the frauds and allowed them to be practised for a long period without detection.

The chief culprits have been made responsible for 70 per cent. of the loss.

As regards the Amildar, Mr. V.S. Rajagopalachar, whose responsibility arises from the slackness in supervision, is made liable for 1/10 of the loss which is considered as sufficient punishment in view of the fact that he was advanced in age and was in charge of the Taluk where work is unusually heavy.

The District Treasury Shroff, Krishnachar, is made liable for 1/10 of the loss considering the part played by him in allowing the Taluk Treasury officials to carry on the fraud systematically.

The District Treasurers whose only fault lay in not supervising the testing of the remittances have been made to bear a small share.

The District Treasury Officers during the period in question who by their fault in not supervising the testing of the remittances indirectly gave occasion for such frauds, have been slightly punished by mulcting them of small amounts.

As regards the Deputy Commissioner himself, the Revenue Commissioner considers that, though he might have exposed the fraud on a perusal

perusal of the suspicious circumstances on certain occasions, yet in view of the ingenuity with which the nefarious plots were carried on and the inefficiency of the subordinate officers, no further action is required.

The Revenue Commissioner also says that in the case of Bapu Rao, District Treasurer and Mr. H. Basavaraj Urs, District Treasury Officer, who are dead, no action is necessary. As regards the principal culprits, he adds, that it is likely that only a portion of the amounts now adjudged can be recovered from them, but that it does not seem to be fair to call upon the others to contribute larger amounts on that score and that such irrecoverable amounts will have to be written off.

Hon'ble.

The question was considered in Council on the 3rd October 1928 when it was resolved that the proposals of the Revenue Commissioner might be accepted.

The recommendation of the Council may graciously be approved.

C.V. Balasundaramayya

MEMBER OF COUNCIL.

Camp Mysore,
14th October 1928.

seventeen hundred rupee notes which should have found an entry in the double lock register on that date, notes of smaller denomination have been entered with a view to deceive the Amildar at the time of monthly inspection by passing the bundles of smaller denomination notes as correct which the Amildar did not handle himself. If hundred rupee notes had been entered, there was likelihood of the Amildar asking for them for counting at the time of inspection. To avoid this contingency smaller denomination notes were substituted, which would clearly amount to falsification of accounts. It is also ascertained from the Shroff that a sum of Rs. 1,300/- had also been misappropriated from the imprest which was made good in January 1927 by taking the amount from the double lock. Thus the total shortage on 31-12-26 amounts to Rs 13,000/- of which Rs 1,300/- was in the imprest. The imprest according to book figure on 1-1-27 was Rs 1,687-1-9. If the Amildar had carefully counted the notes and checked the imprest on 1-1-27, he would have been able to find out the shortage both in the imprest and in the double lock. These are the only strong circumstantial evidence so far available against the Sheristadar who is mainly responsible for the correctness of amount in the remittances despatched from the Taluk Treasury which should agree with the details of invoice following the remittance.

So far as Shroff and the Head Gumastha are concerned there is a specific offence under section 409 I.P.C. for the removal of Rs 13,000/- from the double lock on 14-3-27 to make up the shortage in the remittance sent to the District Treasury by the previous Sheristadar on 4th March 27, before he handed over charge by means of which he was able to keep correct balance for the new-comer. A separate charge sheet will be placed against the Shroff and the Head Gumastha for this specific offence. Additional evidence is being collected against the Sheristadar. After investigation is completed, it will be decided on what counts the charge sheet may be placed against the Sheristadar singly or against the three jointly.

Maintenance of high balances for months together so as to cover the shortage, systematic attempt to collect smaller denomination notes after despatch of remittance until the number reached a figure covering the shortage, detention of untested remittance in the District Treasury until the balance rose high enough to cover the shortage in the Taluk Treasury, persistent absence of the Taluk Shroff though sent for to test the remittance at the District Treasury until the balance in the Taluk Treasury reached a certain figure to cover the shortage and lastly despatch of remittances just before the date of inspection by higher officers (as noted below) with a view to keep correct balances on the dates of inspection are other circumstances which go to strengthen the case against the Shroff and the Sheristadar.

Against the Head Gumastha, there is no good at present except that he was in charge of the Treasury on 14-3-27 and that as ascertained by the Gollar, he permitted the Shroff to open the double lock on the morning of 14-3-27 though there was no 'taken out' merely with a view to enable the Shroff to take the amount of Rs 13,000/- to cover up the shortage in the in the remittance. Further evidence is also being collected against the Head Gumastha.

It is too soon to take any action against the District Shroff and the Gollars of the District Treasury in whose connivance with the Taluk Shroff, there is not the slightest doubt.

Date of inspn.	Name and designation of inspecting officer	Date of despatch of remittance from Taluk Treasury.	Date of testing in the Dist. Treasury
	Deputy Commissioner		
15- 6-25	Mr. G.Rudrappa T. O.	16- 6-25	17-12-25
17- 6-25	Mr. V.Vasudeva Rao T.O.	1- 12-25	17-5- 26 X
6-12-25	Mr. T.Abdul Khader SDO	28- 4-26	23-6- 26
29-4-26	Mr. M.Basavaraj Urs T.O.	29- 5-26	27-12-26
18-6-26	do	21-12-26	
22-12-26			

D. O. No. 4 dated the 27th April 1927 from the Inspector General of Police to the Revenue Commissioner in Mysore.

I send herewith a copy of a confidential preliminary report received from the District Superintendent of Police, French-Rocks regarding the disappearance of treasure from the Mysore Taluk Treasury. My only object in writing to you now is to suggest, if I may, that the monthly inspections of the treasuries by the officers in charge (Deputy Commissioners or Amildars as the case may be) might be conducted as surprise visits rather than invariably on the 1st of the month as provided for in the rules. Had there been such a surprise inspection of the taluk treasury in question, the frauds could have been detected much earlier, if not rendered altogether impossible.

'C o p y'

Inspector General of Police.

APP. F. VI. Gl.]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *192*

Date of issue 31-5-27

Signed by Mr. C. E. R

List of enclosures.....

Copied by.....

Examined by.....

Section

File No.

Serial No.

No.

To

The Dep. Com^r Mysore

Sir,

I am directed to request you to obtain & forward a copy of the Order or judgment in the Mysore Treasury Defalcation case along with copy of the evidence.

I have the honour to be Sir

Your obedient servant

for Ch. Secy.

over

WD 01265--GPB—31,000— 24-12-25

No. A.3873/26. D 1232 (62

Cr. Copies

Office of the Deputy Commissioner,
Mysore District,

Dated Mysore, 26th August 1927.

Rev 15-27-1

FROM A.V. Ramanathan, Esq.,B.A.,
THE DEPUTY COMMISSIONER, & Dt.Magistrate,
MYSORE DISTRICT.

To

N. Madhava Rao,Esq.,B.A.,B.L.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

Sir,

Rev Pr 29/9/27 MRS

Mysore Taluk Treasury defalcation case.

In continuation of this office No.A.3873/27 dated 4th July 1927, I have the honor to forward herewith copies of further evidence in the case, since furnished by the City Magistrate's Court, Mysore, for information.

I have the honor to be,
Sir,
Your most obedient servant,

District Magistrate,
Mysore District.

A.N.

Assistant Superintendent informs me that currency notes of the value of Rs. 140/- have already been recovered from one Manchayya, a relative of the Shroff. The District Superintendent of Police, French Rocks Mr. R.P. Mallappa has himself proceeded to Chakanahalli in Mandya Taluk to make local enquiry and search and recover the amount, if any, left by the Shroff with his relatives or friends or creditors during his stay there on Sunday and Monday.

I shall report further progress tomorrow and also submit the Amildar's explanation.

I have the honour to be,

Sir,

Your most obedient servant,

Deputy Commissioner,

Mysore District.

OFFICE OF THE REVENUE COMMISSIONER,
IN MYSORE.

No C.S. 60/26-7/2. Bangalore, 29th July 1927

FROM A. K. Syed Taj Peeran Esq., B.A.,
Revenue Commissioner in Mysore.

To

The Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

Re. Mysore Taluk Treasury Defalcation case.-

SIR,

I have the honour to forward herewith for the information of the Government, a copy of the charges framed against the Shroff and Sheristedar, Mysore Taluk in connection with the above case, as also a copy of letter from the Public Prosecutor, on the subject received from the Deputy Commissioner, Mysore District.

The final report together with copies of Inspection Notes, etc., called for by Government will be forwarded on receipt from the Deputy Commissioner.

I have the honour to be,
Sir,
Your most obedient servant,

Assistant Commissioner
For Revenue Commissioner
Absent from the station.

(1st accused) the 3rd accused, Mr. Khalib and myself went into the Treasury room. The 1st accused counted the notes in the double lock box. He counted the 5-Rs, 10Rs and others notes. He counted the bundles as they were. The 1st accused counted the 5Rs notes as 10Rs notes. I observed this. The 1st accused winked his eyes towards me suggesting that I should be quiet. After counting the box was sealed and we came away. I felt a suspicion that there might be a shortage in the amount. In the evening after close of the Treasury, the 1st accused and myself went home together. The 1st accused told me when we came near the market in Sayaji Rao road, that I should not tell this matter to any body, that he would get me a shroff's post and also have 500Rs for security lent to me which I might discharge by monthly payments of 10 Rs after I get 30 Rs. I did not inform this to anybody. There was an Excise shroff's post in the Taluk Treasury which had been abolished. I acted as temporary shroff for one month. There was correspondence about employing a temporary shroff this year also. Both notes and Rupees were being received in the daily receipts of the Treasury only notes and only rupees were not being received on any day. The 2nd accused's order of transfer was received in March. On 4th March the 2nd accused sent a remittance to District Treasury, the 1st accused was also present that day. The 1st accused was on leave on 5th March. On 5th March 3rd accused has signed the Jemakhirch Register and I have written it. 6th was Sunday. On 7th and 8th March, I have written the Jemakhirch Register - The new Sheristedar has signed the book on 7th and 8th The 1st accused returned on the 9th and has written the Register Rangasamiengar has signed the Register. I see Exhibit P59 - The 2nd accused and 1st accused have signed this. The 1st accused had gone with the remittance. This remittance was finally shroffed on 14-3-27. On this date i.e. 14-3-27, the 3rd accused has signed the balance of that day in Exhibit P78 - This entry is exhibit P78(1 I have written the entries on that date as 1st accused had gone for shroffing remittance. On that day 14-3-27, the shroff (1st accused) and 3rd accused opened the Treasury at 11 A.M. They showed

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showed the seal to sepoy and opened the Treasury. The seal wa all right. I brought out the single lock box and Imprest box and kept it outside. Then the Double lock box was opened by the 1st and 3rd accused. They sent me out to look after the current work. I came out and was attending to current work. I cannot say after how long they came out as I was attending to current work I see exhibit P2 Double lock Register. That day i.e. 14-3-27 there is nothing taken out from double lock box. There is some money put in Exhibit P2(u) is the entry. The 3rd accused has made the entries and initialled on this date. The 1st accused went to the District Treasury for shroffing at 12 or 12-30 P.M. that day. I see entry of 28-3-27 Exhibit P78(g) in exhibit P78 I have made the entries that day. The 1st accused was on leave that day. Rangasamiengar has signed the entries that day. There is money put in that day and nothing taken out from double lock. On 28-3-27, a telephone message was received from the District Treasury asking for remittance being sent the next day. The new Sheristedar sent Jevara to bring the empty boxes from District Treasury. Jevara returned with the empty boxes in the evening. The Sheristedar wanted me to pack up the boxes. The next day at 11 A.M. as I was in charge of Shroff's duties I went to office at 11 A.M. on 29-3-27. Jevara, myself and Sheristedar saw the Treasury room seal in the presence of the sepoy. It was all righ The room was opened. The Shroff's key was with me. The Sherist dar had his keys. Jevara was asked to arrange the empty boxes. The couble lock was opened. I took out the gunny bag in which notes were kept. The Sheristedar wanted me to empty the bag. I did so. Some packets of 10 and 5 Rs notes fell down- On again shaking the bag 3 net bags fell down. The Sheristedar said that there ought to be many more notes for 13000 Rs. He searched in the double lock box but did not find the notes. The Sheristedar counted the notes and found 13000 Rs less. He then kept the bags and the notes in the double lock box again and locked the box. He waited for the 1st accused. The 1st accused came at 12-30 or 12-45 P.M. The Treasury which had been locked was again opened. The Sheristedar told the 1st accused that 13000 Rs notes were

were short. The 1st accused also searched, but the notes were not found. The Sheristedar then went away saying he would inform the Amildar. The Amildar came and saw and found 13000 missing. The Amildar informed the Deputy Commissioner and the Sub Division Officer by telephone. The Sub Division Officer came and all the money was taken out and counted in detail. It was found that there was a shortage of 13000 Rs. The Amildar then reported to the Police Superintendent. I see exhibit P2. Double lock Register. From 7-3-27 to 29-3-27 there has been no money taken out but only put in - money is taken out - when the Treasury transactions begin and put in at the close of the day. When money is put in into Double lock box, the balance in the box is not counted but the money is simply put in. On 14-3-27, there is money put in in the evening. I see articles 1,2,3 and 4, These were the bag and net bags in which notes were kept and which were in the notes bag respectively that day. Article 5 is 1st accused's coat. The right side inner pocket is specially made big by patching an extra piece of cloth. The outside pockets are also deep. On 14-3-27 1st accused was wearing this coat. The Voting box and Imprest box were kept in the Treasury room but not in double lock box. I see exhibit P2(a) No.100s notes or 1 Re-notes have been put in that day.

Cross examination Nil.

Interpretted and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
13-5-27.

'Copy'

City Magistrate
Mysore

IN THE COURT OF THE C...

Case No. 472 of 26-27.

Deposition of	Govindarajasetty.	12th witness
Father's name	Govindasetty.	for prosecution.
Age	50 Years.	
Caste	Vaisya.	
Occupation	Merchant.	
Residence	Mysore City.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I keep a shop in Sreerampet. I was Deputy Shroff in the District Treasury for some time. I know 1st accused Honnaiya. He was a Cellar in the District Treasury some 10 y years ago when I was employed there. 1st accused was appointed shroff first in the District Office and then he was transferred to Mysore Taluk. 1st accused's father's name is Yelakkiah. 1st accused Honnaiya had taken a loan from me. Yelakkiah and Honnaiya had executed a bond on ~~xxxxxx~~ 9-5-1917 and taken a loan of 200₹ from me hypothecating their house for the amount. The loan was for the purpose of giving security to 1st accused on his appointment as shroff. Exhibit P 90 is the bond. Interest has been paid on this in 10-5-1919 and in 15-5-1920. On 12-7-1923 the whole of interest and 115 ₹ for principal has been paid. There was a balance of ₹ 85/- on that date. This was paid up on 5-2-1926. On 4-2-26, I had given a notice for principal and interest due. On 5-2-26, he paid 85₹. He has paid 10 ₹ for interest. The bond was with me and I produced it before the Inspector. I see Exhibit P 91 - This was executed by Yalakkiah, father of 1st accused and another Puttiah on 6-9-1917 for 300 ₹. This was for discharging a loan taken for furnishing security of 1st accused. Puttiah's security of 1st house is hypothecated for this money. I have seen Honnaiya's house. It is worth about 500 ₹. The amount of Exhibit P 91 has been repaid on 12-7-1923 and the bond was returned to the parties.

No Cross Examination.

Interpretted and admitted correct.

'Copy' Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
28-6-27.

City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE, M Y S O R E.

Case No. 472 of 1926-27.

3rd witness for Prosecution.

Deposition of M.P.Srinivasa Rao
Father's name Kuppoo Rao.
Age 44 years.
Caste Madhwa Brahmin.
Occupation Nagadigumasta in Mysore Taluk Office.
Residence Mysore.

ON SOLEMN AFFIRMATION.

I have been Nagadi Gumasta in the Mysore Taluk since 1915. Amildar Mr. Rajagopalachar took charge of the Taluk on 15-8-23. Venkataraghaviengar took charge as Sheristedar of this Taluk on 17-5-1922. He remained as Sheristedar of ~~the~~ this Taluk till 5th March 1927. The 3rd accused took charge as Head Gumasta on 1-11-1924. Shroff Honnaiya has been in this Taluk for 7 or 8 years. Sheristedar Venkataraghaviengar was getting 57 Rs as Sheristedar The 3rd accused was getting 40 Rs and the 1st accused Rs30/- Venkataraghaviengar took charge from Rangasamiengar. This Rangasamiengar now succeeded Venkataraghaviengar I attend to the accounts of the Treasury. I maintain the cash book and the subsidiary Registers and send the periodical accounts. The Shroff and the Sheristedar handle the cash. I do not handle any money. The Sheristedar and 1st accused maintained the Double Lock and Single Lock Registers. I see Exhibit P1 and P.W.2. Exhibit P1 was maintained by the 1st accused (shroff). Exhibit P2 was maintained by 2nd accused (Sheristedar). The 3rd accused used to look after the 2nd accused's duties--- when he was absent on leave etc. The 2nd accused, and whenever he was in charge the 3rd accused, have initialled the entries in exhibit P1 and P2. I see the Jemakharch Registers of the shroff. ~~Honnaiya and Kokkx Hanumantha Rao~~ These are written up by shroff Honnaiya and Gollar Hanumantha Rao. The Amanath Book (Imprest ~~book~~ Book) is written by me or my Kumki Venkateshiah. The cash in Amanath book was in charge of 1st and 2nd accused. The box containing this amount was

was being kept in the Treasury room. The Shroff used to give me details of expenditure and receipts of Amanath money, and I used to write up the accounts accordingly. I used to take the initials of 1st and 2nd accused to the entries I made. The Shroff (1st accused)had a Rough Book which he used to write himself. I maintain the cash book. I write the entries in it. I see exhibit P 82. It is the Disbursement book. I was maintaining this. I send the Daily cash balance report in E form.---the next day. The 1st accused used to give details of the ಜಾಮೀನು ಮೊತ್ತ balance the next day and I used to incorporate it in the account and send. The double lock register used to be with 1st accused during the time the 2nd accused was Sheristedar. I used to write the Remittance Invoices. The 1st accused used to give a Patti showing details of the remittance and I used to write up accordingly. I see Exhibit P3 to P33 Invoices. All these are in my handwriting. Exhibit P42, P57, P58 and P 59, are also in my handwriting. These are all signed by 2nd accused. After writing the Invoices, I used to return the Pattis to 1st accused. The signatures of the 1st accused or Jevara whoever accompanied the remittance and of the Havildar used to be obtained on the Invoice. 3 copies of invoices were being prepared with carbon paper. One copy was being given to the Escorting Havildar, another was being given to the 1st accused or Jevara who was accompanying the remittance and another copy was being retained in the office. The Havildar used to return the copy of Invoice given to him with the Treasury Officers receipt for having received boxes containing the remittance. The copy given to the 1st accused or Jevara was filed in the District Treasury. I used to write the slips of paper showing the amount and details of remittance contained in each box as per Patti given by 1st accused and used to hand them over to 1st accused. The 1st accused used to get the slips signed by the Sheristedar (2nd accused) and also sign them himself and have them posted

to

to the boxes either himself or by Jevara. The money was put into the boxes in the Treasury chamber. The money was being put into the remittance boxes, the day the remittance was sent or on the previous day in cases of urgency. The Invoice was being written on the day the remittance was sent or on the previous day if the money was put into the boxes on the previous day. Jevara and the 1st accused used to go for getting the remittance shroffed. After the remittance was sent Jevara used to go for 3 or 4 days and after shroffing the coins he used to come and tell the 1st accused. The 1st accused then used to go for shroffing the notes with the permission of the Sheristedar. Several orders have been received from the District Treasury to have remittances sent shroffed promptly and also to remit surplus amounts promptly. I produced the orders regarding remittances and shroffing and office copies of Invoices to the Police Inspector. The Amildar was never present when remittances were sent or when money was put into the boxes. The Amildar used to inspect the Taluk Treasury on the 1st or on the last day of the month after close of the transactions. The District Treasury Officer used to inspect every half year. e used to get intimation about 2 days prior to the District Treasury Officer's inspections. The clerks used to come a day or two before and take notes. The District Treasury Officer used to check the cash. On 15-6-25, the Deputy Commissioner inspected the Treasury and has initialled the cash book. -- Exhibit P63. I send two lists of payments viz the 1st list from 1st to 10th and from 11th to end of month, the 2nd list. In the 1st list, the payments are large. From 11th to end of month the payments are less. On 1st and 2nd of the month the expenses are heavy. Exhibit P82 is from 1st February 1925 to 6-5-27. The average disbursements on the 1st in this Treasury will be about 8000$ and on the second 4000$. On the other dates, the disbursements average about 1000 daily

daily. On some days the disbursements will be ev... than 1000Rs. I see Exhibits P52, P53 and P 54. ... orders, the District Treasury has asked for re ittan... surplus after keeping a minimum balance required for ... tions. Exhibit P 54 was received on 12-1-27. On 13-1-2... a sum of 7050 Rs has been sent as remittance. The Invoi... Exhibit P 55. I see exhibit P2 - The opening balance o... 13-1-27 is Rs 31109. Exhibit P2(k) is the entry. The ... taken out that day was Rs 9459 - The remittance was Rs 705... leaving a balance of 21650 in double lock. The remittance of Rs 7050 consisted of 25 - one rupee notes, 26 whole rupees and the balance small coins. That day the opening balance consisted of 3 - 100 - rupee notes, one - fifty rupees note 911 - 10-Rupee notes, and 1981 - 5 - rupee notes. More notes could have been sent that day. I see Exhibit P 60 - 8000Rs have been obtained from District Treasury on 30-11-25, 7000Rs in whole rupees and 1000Rs in notes. On 1-12-25, the ... bursements amounted to Rs 24412-2-0 including a remittance of 15000 Rs to the District Treasury. The balance of disbursements was Rs 9412-2-0. I have seen Shellum Iyengar. He had deposited the sale amount of a house. The sale was cancelled and the amount had to be returned to him. ~~He had to be returned to him~~. He had brought an order directing repayment of his deposit, the same day. He came on 28-12-25 and a reference exhibit P 81 was made to the District Treasury Exhibit P 81 is in my handwriting. The requisition was for 6000 Rs for current expenses. The amount was received on 31-12-25. Shellum Iyengar was paid that day. The 1st accused went and brought the money that day. On 28-12-25 the notes in the opening balance as per Exhibit P1 was Rs 7920. On 31-12-25 the opening balance of notes was 8605Rs On 2-1-26 1605Rs worth of notes and 6670 rupees were taken out On 3rd and 4th no notes have been taken out - all put in only On 5-1-26 one - 50 rupee note has been taken out. Till the

11th

11th - no notes have been taken out. I see exhibit P 85 This is an order received on 18-12-24 to discontinue issue of 1 Re/- notes to the public The 2nd accused has initialled this. 1 Rupee notes must be sent with remittance. Further Examination in chief adjourned to to-morrow.

Interpretted and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
16-5-1927.

Recalled for further Examination in Chief and Solemnly affirmed.

On 1st December 1925 a remittance of 15000 has been sent. This was shroffed on 15-12-25 Exhibit P27 and P 28. The next remittance was on 12-1-26 for Rs 17185 Exhibit P 89 On 31-12-25, no remittance was pending unshroffed in the District Treasury. On 31-8-25, 825 - one rupee notes have been taken out from double lock-box Exhibit P1(m). This was the number of such notes in the double lock box on that date. On the same day a remittance of Rs 20300 has been sent. In the Invoice, the No of one rupee notes sent is mentioned as 325 . 535 - 5 - rupee notes have been taken out. In the Invoice 635 - such notes have been mentioned as having been remitted. I wrote the Invoice as per slip furnished by 1st accused. I see exhibit P1(n) - on 28-9-25 - 900, one rupee notes have been taken out. In the remittance sent the same day 400 - one rupee notes have been sent as per Exhibit P7. 450 - 5 rupee notes have been taken out of double lock box and 550 such notes are mentioned in the Invoice Exhibit P7 as having been remitted. I have written this Invoice as per slip given by 1st accused. On 12-1-26, a remittance of [illegible] been [illegible] District Treasury on requisition [illegible] Shaw [illegible] no whole rupees or currency

Rs 7000 was received on 18-8-26. In Exhibit P2 - on 16-8-26. the closing balance of notes in double lock box was Rs [illegible] 30 and whole rupees 1155. The total amount in cash was Rs 13885 The District Treasury Officer last inspected the Taluk Treasury on 22-12-26. Exhibit P 85 is the intimation of inspection dated 2-12-26. Clerks of District Treasury had [illegible] to the Taluk Treasury on 20th and 21st and took notes. On 21-12-26, remittance was sent to District Treasury amounting to Rs 17650. On 22nd the District Treasury Officer inspected the Treasury. I see Exhibit P 51. The amount of the R.T.R is Rs 17320-8-0. The shroff told me that the money had been received. The Muzrai clerk gave me the chellan. The 1st accused had gone to bring the R.T.R. money. After the transactions of the 4th March 1927 were over, the 2nd accused had the Treasury sealed and told me that he would come late the next day and asked me to give the bag containing the Treasury keys and seal to the 3rd accused and gave the bag to me. It was 7-30 P.M. then. Next day I came to office handed over the bag to the 3rd accused at about 11-30 telling him what the 2nd accused had told me. The 3rd accused did not open the Treasury till 2 0'clock expecting the 2nd accused to come, but conducted the transactions with that day's receipts. The 2nd accused did not come till 2 P.M. and the 3rd accused opened the Treasury room and conducted the transactions. He closed the Treasury at 5 P.M. and took the keys. The 1st accused was absent on leave on the 5th, 7th and 8th, 6th being Sunday. On 7th March the new Sheristedar Rangasamiengar had taken charge when I came to office and was conducting the transactions. 1st accused returned to duty [illegible] the new Cheristedar checking Treasury [illegible] after [illegible] on the 14th, [illegible]

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It is written at the time of inspections. I write the Invoice of remittances after the remittances are packed and some times sealed and the shroff gives the slip containing details of remittance.

No Cross Examination.

Read and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
17-5-27.

'Copy' ---

Heard & read
City Magistrate
Mysore.

IN THE COURT OF THE CITY MAGISTRATE AT M Y S O R E.

Case No. 472 of 1926-1927.

Deposition of	M.S. Rangaswami Iyengar	4th witness
Father's name	Sreenivasa Rangachar.	for prosecution.
Age	46 years.	
Caste	Sreevishnava Brahmin.	
Occupation.	Taluk Sheristedar.	
Residence	Mysore City.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I have been Sheristedar for 6 years. I served at Seringapatam, Nagamangala, Bunsur, Mysore and Gundlupet. I know 2nd accused. I was in charge of Mysore Taluk Sheristedar before 2nd accused took charge. I gave over charge to him on 22-5-1922. I succeeded 2nd accused in Mysore Taluk. I took charge of my work on 7th March 1927. I took charge from Head Gumasta.-- 3rd accused. The 3rd accused gave me a bag containing Double lock keys, Huzrai keys, Shroff's keys, and 1 seal. He gave this to me at about 12 noon on the 7th March. Gollar Hanumantha Rao was in charge of Shroff's duties. 1st accused was on leave. I did not open the double lock box that day and check the contents. I did not ask 3rd accused, with whom the keys were. I conducted the transactions on the 7th. I see Exhibit P2. On the 7th March 1600 ₹ have been issued from and 1555₹ have been ~~issued from~~ put in the double lock box. By 'issued' I mean taken out. That day 4 - 100 - Rupees notes, 30 - 10- rupees notes and 900 Rupees have been taken out from Double lock box. I took the notes from the notes box which is a tin box and the Rupees from a bag. I did not check the balance. On the 8th March 1927 I was in charge. On the 9th March 27 1st accused returned to duty at about 11-30 A.M. On the 7th I gave the shroff's keys before the Treasury room was opened, to the Gollar Hanumantha Rao. The other keys were with me. On the 9th the 1st accused conducted the transactions. There was only put in that day. Nothing was taken out. When the money was being put in, I checked the double lock balance.

The

The 1st accused, Jevara, and Hanumantha Rao were present. When checking the balance, I counted the 100 Rupees and 50 rupees notes. The 10 Rupees and 5 Rupees notes were in bundles and kept in a gunny bag. Then 1st accused got into the double lock box and emptied the gunny bag containing t notes inside the double lock box. As there were a large number of notes, I got all the 5 Rupees notes made up into a bundle each bundle containing ten packets and each packet containing 100 - 5 Rupees notes. One bundle thus contained 5000 ₹ worth of 5 Rupees notes. There was a balance of 49- 5 Rupees notes and I got this put into the tin box. Of 10 Rupees notes there were 8 packets of 100 notes each and I got this tied into one bundle. The remaining ten rupees notes were already kept in the tin box. I got the two bundle of 5000 ₹ worth of 5 - Rupees notes and 3000 ₹ worth of 10 Rupees notes into the gunny bag article I and kept the bag and the tin box in the double lock box. There were 20 - one rupee notes. I kept these also in the tin box. The re ning coin I checked according to bags and not by detailed counting. The total closing balance on the 9th was ₹ 22075 in double lock box - ~~containing~~ consisting of 6 - 100 - Rupees notes, 6-50 Rupees notes, 1029 - 10 Rupees notes, 1049 - 5 ₹ notes and 20 - one rupee notes - total 16455 ₹ worth of notes. The balance was Rupees and small coins. Exhibit P2 (v) is the closing balance on 9-3-27. I have myself made this entry in Exhibit P2. On the 11th and 14th March 1927, the 3rd accused was in charge and he has written up the entries on those dates in the double lock register-on those dates I had gone to a sal sale in Kalastavadi village. On the 14th March 1927, the opening balance as per double lock Register was ₹ 25555/ consisting of 9 - 100 ₹ notes, 6 - 50 ₹ - notes, 1090 - 10₹ notes, 1293 - 5 Rupees notes and 20 - one rupee notes - total ₹ 18585 - of notes. The rest was Rupees and small coins. On 10-3-27 - 79 - 10 Rupees notes were taken out. I was present

Found along with Fl Dos

5174 — Rm 10-27-1
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Misc mgbe
Returned to the Fl Br

12/9/27

~~DK~~ AP
12/9/27

Fl Field — why is this Secret
Service Branch please?

present when they were taken out. The 1st accused and myself were present. These were taken out from the tin box. I did not see the notes in the bag that day. On 15th I returned to duty. On the 12th there was a holiday on account of A.P. Elections. From the 15th to the 21st March I conducted the transactions in the Treasury. On 22nd, I was on casual leave. The 1st accused was in charge. From 23rd to 25th March I was in charge and attended to the transactions. On 24th March intimation was received by telephone from District Treasury that remittance should be sent after getting the remittance boxes from the District Treasury. This was at about 12 noon. I sent Jevara to District Treasury to bring the boxes. I also received written requisition exhibit P73 at about 4 O'clock for sending the remittance. The orders were to the effect that the remittance should be sent the next day. I sent a slip to the Amildar after consulting the 2 gollars who were there proposing that 9000 out of a balance of Rs 34525-13-1 may be sent. The Amildar agreed to this. On 28-3-27, 1st accused was on leave and Hanumantha Rao was looking after his work. Exhibit P 80 is the slip I sent the Amildar. It was decided to send remittance of Rs 9000 in notes and Rupees. On 29-3-27 - Hanumantha Rao came at 11-30 A.M., Jevara and Gollar Venkatesiah were also present. I got the main store door opened. took 2 remittance boxes inside and then got the double lock box opened. I told Hanumantha Rao to take out the notes in the bag and in the tin box. Hanumantha Rao took out the gunny bag and the tin box. He emptied the notes in the gunny bag on the floor. The two bundles of 5 and 10 Rs notes for 5000 Rs and 4000 Rs which I had got bundled and kept in the bag on 9-3-27, were not there and only 3 net bag articles, 2, 3, 4 and some small packets of 5 and 10 Rupees notes fell from the gunny bag article 1. Hanumantha Rao said that there were not forthcoming the two bundles of notes. I then counted the notes

in the tin box and those which were found in the [illegible] lost them in the remittance box and kept this box in the [illegible] lock box and locked the double lock box. The [illegible] aggregating 13000 ₹ were missing and the rest were all [illegible] The 1st accused came to office that day i.e. on 27-3-27, [illegible] 1-30 P.M. As soon as he came I told him that remittance has to be sent and asked him to open the double lock box - I went the main store and double lock box opened. The 1st accused saw the double lock box. I asked 1st accused to tell me where the 2 bundles of 5000 and some of 5 and 10 Rupees notes which I had got buckled and kept the other day, were. The 1st accused with tears in his eyes said 'ಇಲ್ಲ ಇಟ್ಟಿದ್ದೆ'. I asked him to see the box well. He did not take out or touch any thing but simply looked into the box and said " ಇಲ್ಲ ಇಟ್ಟಿದ್ದೆ- ಕಾಣುವುದಿಲ್ಲ ". I asked him to search all parts of the room and see. He simply stood crying. I said ನಿಂದಕ್ಕಿಸುತಂದುಹಾಕಿದಿ-ಇನ್ನು ಹಾಕಿಲ್ಲಂತರ ಇಲ್ಲ. He did not reply. I then got the double lock box closed and also the main store. I asked the 3rd accused to be in my seat and went to the Amildar's house. I informed the Amildar that 2 bundles of notes aggregating 13000 ₹ was missing and that the 1st accused did not give any satisfactory answer I came away. The Amildar came to the Treasury. The Amildar told the Shroff to get that money as otherwise he will be put to difficulties. The 1st accused did not give any reply. Then the Amildar telephoned to the Sub Division Officer and the Deputy Commissioner. The Sub Division Officer came and checked the balance in the Treasury in detail. The Deputy Commissioner also came in the evening and saw the double lock box and the net bags. After check by the Sub Division Officer the balance was ₹ 20300-12-0 in the double lock. According to the accounts as per Exhibit [illegible] the actual balance ought to have been ₹ 20300-12-0 in the double lock box. Except the 800 - 10 ₹ notes and few ₹ 5 notes

the rest of the details of the balance was all right. The Amildar then reported to the Police. From the 9th March to 29th March 27, I did not see the 2 bundles kept in the bag in the double lock box - I was getting notes put into the gunny bag whenever a full packet was completed by receipts. The 1st accused used to put in the packets in my presence and the box was being locked in my presence. From 9-3-27, to 29-3-27, no remittance has been sent to the District Treasury. Notes have been taken out from Double lock on 15-3-27, 21-3-27, 23-3-27, 24-3-27 and 25-3-27. On the other dates notes and Rupees have been put in. On 15-3-27 two 100 Rupees notes, 39 - ten Rupees notes and 64- 5 Rupees notes, have been taken out. On 21-3-27 - 5 - 100 Rupees notes have been taken out. On 23-3-27 - 5 - 100 Rupees notes have been taken out. 24-3-27 - 4 - 100 Rupees notes and on 25-3-27 - one - 100 Rupees notes have been taken out. The 100 Rs notes were kept in the tin box not in the bag. On 15-3-27 - all the notes were taken from the tin box where they were kept as the 5 Rs and 10 Rs were not enough to make up into a packet. On the 9th I did not make up two more packets of 10 Rupees notes from the notes in the tin box as I did not first see the tin box, but got the packets in the gunny bag only tied up into a bundle and there were only 8 packets there. Further examination in Chief reserved.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
18-5-1927.

Recalled for further Examination-in-chief and Solemnly affirmed.

The double lock box in the Taluk Treasury is about 2½ feet high. When money or notes are put in the double lock box, I used to stand near the Gunny box at a distance of about 2 feet from the double lock box and behind the Shroff. The gunny bag containing notes was not visible from the place

Where

where I used to stand. I used to keep the double lock register on the Ganja box and by looking into it used to tell 1st accused to put money into the double lock box. The 1st accused used to drop the money into the double lock box and the box used to be locked. The usual time when money used to be put in into the double lock box, was between 6 and 7 P.M. every day. There is an electric light just above the double lock box. The gunny bag in which notes were put in was ~~xx~~ usually kept on the right side towards the front portion of the box. On the 14-3-27, the keys of the double lock box and the Treasury room were with 3rd accused. I handed over these to him on the evening of the 12th idem at about 7-30 P.M. 13th was a Sunday and I had gone to Gundlupet. I returned on the 14th and went to office at about 3 P.M. and stopped ~~there~~ waiting for about 10 minutes ~~writing~~ for the Kasaba shekdar and proceeded to Kalastavadi to hold a sale. I did not conduct any transactions on the 14th except that I entered 2 chellans in the Sheristedar's cash book. I took back the keys from 3rd accused on the 15th. After I took charge on 7th, the shroff (1st accused) or the Gollar whoever used to be in charge till the 29th used to keep the shroff's keys. There was a key Register but it was not written up since December 1926. After I took charge I enquired about the key Register but I was told, it did not exist. I found the Register when the Sub Division Officer inspected the Treasury on 29th. The practice about writing the key Register was to write it up when any officers were coming for inspection. Usually the keys remained with the Sheristedar always. One rupee notes are classified as uncurrent and th are sent to the District Treasury whenever remittances are sent. The whole stock of such notes are sent. Uncurrent Rupees and other uncurrent coin are also sent with remittances to District Treasury as much as they are accumulate

I used to keep the double lock Register in the main store after I took charge. When I took charge this Register was outside and the 3rd accused gave me charge of it. I used to write the double lock Register wherever I used to issue from or put in money into the double lock box. I see Exhibit P 78 shroff's Jamakharch book. I used to sign this book after the close of the day and after the single lock and double lock details were entered therein. I see Exhibit P 73(h) - The entries on 15-3-27 and 16-3-27, I have certified and signed these, after the details of single and double lock have been entered. After I took charge I saw 2nd accused in the office on 7-3-27 and also on 8-3-27. The net bags not in use are kept in the treasury room outside the double lock. I did not put in any net bags in the gunny bag article 1 when I got the notes put in on the 9th. On that date, there were no empty net bags in the gunny bag article 1. The Sub Division Officer and the Amildar counted the money in the Treasury on 29-3-27 from 4 P.M. to 9 P.M.

Cross Examination Nil.

Interpretted and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
19-5-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT M Y S O R E.

Case No. 472 of 1926-27.

5th Witness for prosecution.

Deposition of	Javara
Father's name	Lakkegowda.
Age	48 years.
Caste	Gangadikaryokkaliga.
Occupation.	Masalti in the Taluk Treasury, Mysore Taluk
Residence	Mysore.

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

My baraward post is Mashalchi in the Taluk Office. I have put in 25 years service in the Taluk Office. I attend to the work required of me by any of the officials of the office. My work in the Treasury is to carry money bags into the room and seal the Treasury room after it is locked and give the keys and seal to the Sheristedar. There is a big box in the Treasury room. There are 2 big locks put on this box. The Sheristedar has one key and the shroff has the other. The shroff and Sheristedar go into the room and take out money from the double lock box. I do not take out money on ordinary days. But when remittances are to be sent to the District Treasury, Gollar Hanumantha Rao the Shroff or myself get into the double lock box and take out the bags of coins and hand them over either to the shroff or Gollar who is outside. The Shroff takes out the notes Gollars also take out the notes. I have never taken notes out. I arrange the remittance boxes. Money is put into the boxes by the shroff and the Sheristedar in the presence of the Havildar. The shroff puts the money into the remittance boxes. Notes are also put in by the shroff. I do not understand how many notes are put in. After the money is put in, the shroff locks the boxes and I seal them. When remittance was sent, I used to be sent with the Havildar and Sepoys. A copy of the Invoice used to be given to me and another copy to the Havildar. I used to go to the District Treasury with the remittance and after going to the Treasury I used to get the Invoice with me signed by the Treasury Officer, and Head Accountant and then give it to the Head

shroff.

The Havildar used to get it signed and bring it back and give it to the Sheristedar. The remittance boxes used to be kept in the District Treasury room after check of the seal and the chit on the boxes by the District Treasurer. The shroff and the Sheristedar used to send me to shroff the small coins of the remittance. For notes and whole Rupees, the 1st accused used to go himself. For the purpose of xkxx shroffing or Parkhavani the Head shroff, or District Treasurer or shroff sankarappa used to come into the District Treasury room where the remittance boxes were kept. They used to look into the chit pasted on the box and ask me to open the box. I used to open the box and take the bags and place them outside where they sat. They used to check the bags, and then used to have other boxes of small coin dealt with accordingly. The keys of the remittance boxes containing whole rupees and notes used to be with the 1st accused. The 1st accused himself used to come to shroff the boxes containing notes and whole rupees. The 1st accused used to open the boxes containing notes and whole rupees and to take out the bags of rupees and used to ~~asked~~ me to take the bags of rupees to the Head shroff. The 1st accused used to bring the box containing notes himself to the Head shroff and count the notes before him. Either the District Treasurer or the Head Shroff used to be present when the shroff opened the box containing the notes. They used to sit on a chair in the room. The Head shroff or the Treasurer used to come out after the notes box was brought out. Neither the Head shroff nor the Treasurer were checking the notes inside the ~~Xx~~ Treasury room. The 2nd accused sent the last remittance to the District Treasury and then left. 7 or 8 days after he went, order was received to shroff this remittance. I went for 2 days and got the small coin shroffed. Then the 1st accused come and got the notes and Rupees shroffed. I had also gone when the 1st accused went to give the notes

and

and Rupees. That day he opened the notes box inside the Treasury room. The Treasurer was present. The 1st accused opened the notes box and he took out the Rupees bags and I took them and placed them before Head shroff. There were 2 or 3 bags of rupees. The 1st accused himself brought the notes box outside to the Head shroff. I did not see anything there before the notes box was brought out of the Treasury room. The 1st accused gave the notes to the Head Shroff after counting. I do not know anything about the Parakalmutt cheque. I had been to ಶ್ರೀರಂಗಪಟ್ಟಣ that day.

The Police Inspector wants to treat this witness as hostile as he is not stating some things which he has stated before the Investigating officer. He is is permitted to do so.

(Itd) G.N.
19-5-1927.

Cross Examination by Prosecuting Inspector.

The Police Inspector has recorded my statement. I do not know what he wrote, I was forced (ಮಜಿಸ್ಟ್ರೇಟರು) to sign the statement. I have not stated before the Inspector that nobody would be present when the 1st accused used to open the remittance boxes in the District Treasury room. I have not stated that some times there were shortages of notes in the remittance boxes opened by 1st accused. I did not state that the 1st accused used to take out notes from his pocket, mix with the notes in the box and take to the Head shroff. I did not state before the Inspector that on the last ಶ್ರೀರಂಗಪಟ್ಟಣ day that the 1st accused took out big buodles of notes from his pocket and mix with the notes in the box and take to the Head Shroff. I do not know if the District Treasury Officer inspected the Treasury in December last - I do not know if a remittance was sent on the day previous to the inspection. I see Exhibit P 32 - The signature to the Invoice is mine. I had gone with that remittance. I had gone for shroffing the small coin of

this

this remittance 5 or 6 days after this. The 1st accused and myself had gone to shroff the notes and rupees. I do not know anything about the Parakalmutt cheque being cashed that day. I did not say before Inspector that the cheque of the mutt was cashed that day. I do not know if 1st accused had the notes box checked that day. I do not know if without getting the notes box checked the 1st accused had the cheque amount adjusted towards the remittance. I do not know if 1st accused brought back the notes box ~~kaaka~~ unchecked that day. The 1st accused brought back 1 box containing money sealed in a jutka that day. I do not know whether the box contained notes or Rupees.

Cross Examination Nil.

Interpretted and Admitted Correct.

H/ G. NARAYANA RAO,
City Magistrate, Mysore.
19-5-1937.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 172 of 1926-27.

Deposition of	Nagabhushana Rao.	6th witness for prosecution.
Father's name	Shama Rao.	
Age	40 years.	
Caste	Smartadesasta Brahmin.	
Occupation	Muzraigumasta in Mysore Taluk Office.	
Residence.	Mysore.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector

I am Mugrai Gumasta in the Taluk for 5 or 6 years I deal with Muzrai work. An R.T.R. had been received in favor of the Parakalaswami matt from the Deputy Commissioner' office for Rs 17320-8-0 in December last. It had not been signed by the Deputy Commissioner. So the Amildar sent it back to District Treasury with 1st accused endorsing payment of the R.T.R. to 1st accused, on 21-12-26. Exhibit P 50 is the report. The R.T.R. came back that day with objection From the Treasury. It was signed by the Deputy Commissioner on 22nd and received in the Taluk office on 23-12-26. The R.T.R. was again sent with 1st accused on 27-12-26 endorsing payment to him. On the 28th, 1st accused asked me to go to the District Treasury with him, but I did not go as the R.T.R. was endorsed to him. He called me on the 29th also to go with him. I went late at about 4 P.M. By that time 1st accused had gone away. I asked shroff Krishnachar about the R.T.R. He said "ಕಚೇರಿ ಯಿಂದ ಕೆಂದ್ರ ದ್ವರಲು ಇರಕಾಲುಕದಾ ಅದನ್ನೆ ಬಾಬ್ಜಿ ರವರು ತೆಗೆಂದು ಕ್ರೋರಬುಕ್ಕೊಂದರು" I returned to office. I went to the District Treasury th enquire whether the R.T.R. was cashed or not - Head shroff told me that it was cashed and 1st accused took the money. After returning to office, I asked 1st accused if he had brought money. He said he had brought the money and asked me to write a chellan. I wrote a chellan and had it signed by the Amildar. I see Exhibit P 50(a) - I wrote this in red ink.

Cross Examination by Mr. Krishnaswamy Rao for

2nd

2nd accused.

I came to this court to day only. Yesterday also I had come, but I was asked to go as my examination would not be taken up. I was in the room of the Head Clerk adjoining the court room this day when Jevura was examined.

Re-examination.

I had not come into the court hall yesterday.

Interpreted and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
16-7-1927.

'Copy'

For appeal

City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE, AT MYSORE.

Case No. 472 of 1926-27

Deposition of	Mr. V.S. Vasudeva Rao	7th witness
Father's name	V.A. Srinivasa Rao.	for prosecution.
Age	53 years.	
Caste	Desasta Brahmin.	
Occupation.	Amildar of Mysore Taluk.	
Residence	Mysore.	

ON SOLEMN AFFIRMATION

By the Prosecuting Inspector.

I was District Treasury Officer, Mysore from about October 1925 to about July 1926. On 6-12-1925 I inspected the Taluk Treasury. I have certified as to the Examination. Exhibit P1(n). I have again inspected the Mysore Taluk Treasury on 18-6-1926 - Exhibit P2(i) is the certificate. I verified the balance and found it correct. There is a provision in the Account Code that no remittances should be sent at the end of the month and no such remittances should remain untested at the end of the month. The Mysore Taluk Treasury were sending remittances at the end of the month, So I issued orders from time to time to send remittances earlier and shroff promptly. Exhibits P 36, P37, P38, P40 ,and P 41, P44 and P45. If remittances sent from the Taluk could not be shroffed on the day they were received, the boxes used to be kept in the strong room after examination of the seals of the remittance boxes either by the Treasurer or the District Treasury Officer. The District Treasury Officer will not be present when remittances are shroffed. The District Treasurer attends to this work. I have not seen how the Treasurer conducts the shroffing of the remittances.

No Cross Examination.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
23-5-1927.

'Copy'

City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE, AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Mr. Chellam Iyengar	8th witness
Father's Name	Venkatachar.	for prosecution.
Age	35 years.	
Caste	Sreevishnava Brahmin.	
Occupation	Veterinarian of Palace stables.	
Residence	Mysore City.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I purchased M.J. Vasudevaiya's house at Mysore in Revenue auction, about 1½ years ago i.e. in 1925. I purchased it for ₹ 6310/-. I deposited the bid amount in the Mysore Taluk Treasury. The sale was not confirmed. The Deputy Commissioner gave an order directing refund of the amount deposited by me to the Mysore Taluk Treasury. The order was given to my hands. Exhibit P 87 is the order dated 23-12-25. The order was given to me on 28-12-1925. Exhibit P87 was given to me by the Deputy Commissioner himself. I brought it and handed it over to the Sheristedar 2nd accused - on the same date i.e. 28-12-1925 I asked him for my money. Then 2nd accused said that he had only ~~same~~ coins and asked me to take them. I told him that I did not want coins and asked him to give me currency notes. The 2nd accused said that there were no currency notes available, that he would get them from the District Treasury and that he would paym me if I went there two days hence. On the 31st idem, I went to the Taluk Treasury at 12 noon. At about 3 P.M. money was received from District Treasury. Notes were received from District Treasury and the 2nd accused paid me the deposit money in notes, and I went away. I see Exhibit P 80(a) the voucher for my having received the amount. I see Exhibit P 88. This is a letter written by Mr. Sitharamiengar to Mr. Venkataraghaviengar, Sheristedar Mysore Taluk, on 28-12-25. On this letter I have written as in Exhibit P 88(a) stating that as there were no notes for ₹ 6310/- available in the Treasury I requested the sheristedar to pay me on the 31st. Exhibit P88 was given to me by 2nd accused and Exhibit P88(a) was written as per dictation of 2nd accused, who said it was

necessary

necessary as otherwise he would be taken to have disobeyed the Deputy Commissioner's orders. I wrote Exhibit P88(a) gave it to 2nd accused and went away. In Exhibit P 87 the Deputy Commissioner has himself written 'ನಿರ್ಲಕ್ಷ್ಯದಿಂದ ತಿರುಗಾಡಿಕೊಂಡಿರುತ್ತಾನೆ'. He wrote this in my presence.

No Cross Examination.

Read and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
23-6-87.

"Copy"

Narayanarao
City Magistrate
M y s o r e.

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IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Description of	Parthasarathi Iyengar	9th witness
Father's name	Venkatachar.	for prosecution.
Age	33 years.	
Caste	Sreevishnava Brahmin.	
Occupation	Shroff at Mandya Taluk Treasury.	
Residence	Mandya.	

On Oath or Affirmation.

By the Prosecuting Inspector.

I am shroff of Mandya taluk for 2 or 2½ years. Before that, I was Deputy shroff in the District Treasury. I know shroff Honnaiya. He used to bring Irsal when I was in the District Treasury. I know 2nd accused after he came to Mandya as Sheristedar. On 20-5-27 at about 10'0-clock I met shroff Honnaiya in Mandya in the road leading to Taluk Cutchery from the Brahmin street. He spoke to me and asked me to show the sheristedar's (2nd accused's) house. I took him saying I would show him the house. I had to pass before my house to go to 2nd accused's house. When I came before my house I asked Honnaiya to stop a while there and I went into my house. I returned in a minute and went with him to 2nd accused's house. Honnaiya called the Sheristedar (2nd accused). The 2nd accused came and both spoke to each other near the door of the house. I was standing in the road at a little distance. I did not hear what they spoke. Then 1st accused and myself came to the Mandya Railway Station platform. I left 1st accused there and came away to my house as it was time for office.

No Cross Examination.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
23-5-1927.

"Copy"

G. Narayana Rao
City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Thimmaiya.	10th witness
Father's name	Basappa.	for prosecution.
Age	30 years.	
Caste	Vokkaliga.	
Occupation	Office peon to Motor Garage.	
Residence	Mysore.	

On SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I know shroff Honnaiya. He has lent me 50 Rs.

I have given him an On Demand note for this amount. Exhibit P 80 is the On Demand note dated 12-12-1926.

No Cross Examination.

Interpretted and admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
28-5-1927.

'Copy'

City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 26-27.

Deposition of	Mr. T.Abdul Khader	11th witness
Father's name	Mr. T.Abdulkarim.	for prosecution.
Age	44 years.	
Caste	Mohamedan.	
Occupation	Sub Division Officer, Mysore Sub Division.	
Residence	Mysore.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

On 29-4-26 I inspected the Mysore Taluk Treasury as Sub Division Officer. I have endorsed in Exhibit P2, as checked and found correct. Exhibit P2(B) is the endorsement. On 29-8-27 I received report from Amildar of shortage in the Mysore Taluk Treasury. I went to the Treasury and examined the contents of the double lock box. There was a shortage of 13000 Rs in five-rupees and 10 rupees currency notes - 5 Rupees notes to the extent of 5000 Rs and 10 Rupees notes to the extent of 8000 Rs. On that day I made a detailed examination of the balance in the Treasury, I commenced at about 4-15 or 4-30 P.M. and finished the work at about 9 P.M. The Amildar and the new Shirastedar were both present. The 1st accused was also present. According to Exhibit P2 the double lock opening balance on 29-8-27 ought to have been Rs 39300-12-0, but it was found to be Rs 26300-12-0. In 5 - Rupees notes the balance ought to have been 1954 notes amounting to Rs 9770- but it was only 954 notes amounting to 4770 Rs. In 10 - Rupee notes, there ought to have been 1292 notes amounting to 12920 Rs, but there were only 492 notes amounting to 4920 Rs.

No Cross Examination.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
25-5-1927.

'Copy'

City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Mr. H.Basavaraje Urs.	17th witness
Father's name	Muddraje Urs.	for Prosecution.
Age	53	
Caste	Arasu.	
Occupation.	Personal Assistant to the Deputy Commissioner, Mysore.	
Residence	Mysore.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I was in charge of the District Treasury, Mysore from July 1926 to March 1927. I handed over charge of the Treasury on 14-3-27 to Mr. Krishna Urs. On 22-12-26 I inspected the Mysore Taluk Treasury and certified to the correctness of the closing balance of the 21st December 1926. Exhibit P2(j) The Mysore Taluk remittances were being received at the end of each month. Orders have been issued not to send remittances at the end of the month. The Remittances used to be shroffed after the first week of the subsequent month. Orders have been issued about the delay in shroffing and also that the shroff himself should accompany the Remittances. I see Exhibit P 46. Orders were issued that the shroff should be sent at 11 A.M. on 16-8-26. The 2nd accused has reported that he would send the shroff the day after i.e. on the 17th. Exhibit P 46(a). An order was issued on 17-8-1926 that there was still one more box remaining unshrofted and that shroff should be sent the next day. Exhibit P 46(b)- Again on 3-9-26 an order has been issued to the Taluk to send the shroff for shroffing the Remittance, at 11 A.M. the next day - This Exhibit P 48.On 4-9-26 the shroff did not come. So I sent a note Exhibit P 103 dated 4-9-26, to ask the Treasury Officer, Mysore why he did not send the shroff that day as per orders and that in future the shroff should accompany the Remittances. Orders were issued accordingly to the Amildar, Mysore Taluk. The order is registered as No. 4175 dated 5 4-9-26 in the issue Register. Exhibit P 104 is the entry in the Register.

in charge of the Treasury on the 14th and handed over the keys to the New Sheristadar at the end of the day. The Shroff Honnaiya was granted a days casual leave on the 28th with permission to utilise Sunday 27th. He left Mysore on the night of 26th handing over his keys to the Gollar Hanumantha Rao. The contents of the double lock were never checked by the Sheristadar either on 15th when he took charge of the keys from the Head Gumastha or on 26th when the Shroff handed over keys to the Gollar. After the Shroff left Mysore, there was a telephone message from the District Treasury to send up the Taluk remittance immediately as per requisition which had been received in the Taluk office on 9-3-27 and had been detained in the Munshi branch till 23-3-27 on which date it was brought to the knowledge of the new Sheristadar. The latter with a view to send the remittance got the double lock opened on the morning of 29th when he noticed the loss of Rs. 13,000/- in the double lock. He waited until the shroff returned to duty at about 1 P.M., and when the Shroff denied all knowledge of the loss he reported the matter to the Amildar. In fact the contents of the double lock were never examined by the new Sheristadar from 15th to 29th though there were 'put in' and 'taken out' on some days during the interval. The Shroff Honnaiya was arrested on suspicion on 29th and a preliminary charge sheet has since been placed against him under Sec. 409 Indian Penal Code before the City Magistrate who has remanded him to the District lock-up. The previous Sheristadar Mr. P. N. Venkata Raghava Iyengar and the Head Gumastha Srikantaiya under arrest.

From the investigation so far made it is disclosed that the loss of Rs. 13,000 is not of one day, that the misappropriation of the amount by the previous Sheristadar, the Head Gumastha and the Shroff has been going on for some time past, that the amount misappropriated aggregated to Rs. 13,000/- in October last when the previous Sheristadar received an order of transfer which was subsequently cancelled, that it was not possible for the inspecting officers to detect this defalcation earlier since particular care was taken to maintain correct balances on the dates of

I see Exhibit P 52, P53 and P 54. These are orders issued to the Mysore Taluk to send all the surplus amounts after keeping the minimum amount required in the Treasury. I see exhibit P 33. This is the Invoice of remittance sent from Mysore Taluk Treasury to the District Treasury on 21-12-26. I have remarked on this as in Exhibit P 33(b). Orders have been issued accordingly to the Taluk. Exhibit P 34

Cross Examination Nil.

Interpreted and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
15-6-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Mr. Ramaswami Iyengar	18th witness
Father's name	Venkatraghava Iyengar.	for prosecution.
Age	23	
Caste	Sreevishnava Brahmin.	
Occupation	Junior under Mr. M.V. Venkata Rao, Advocate	
Residence	Mysore.	

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

Mr. Venkataraghaviengar is my father. He has got 2 sons and 3 daughters. I am the eldest son. My brother's name is Srinivasaingar. I am an apprentice now under - --- Mr. M.V. Venkat Rao. My brother is a student in the Entrance Class. His age is 21. Two of the daughters are married. My father and myself are living together. I was studying at Bombay for 3 years - 1923 to 1926. I returned from Bombay in the month of May or June 1926. I was lodging and boarding in Narayanavadi which provides free boarding and lodging. My father was sending me on an average 10 Rs a month when I was in Bombay. He was not sending me 30 Rs a month. My father's pay as Sheristedar was 67 Rs a month. Subsequently he was drawing Rs 57/- We are paying 10 Rs rent for our house in Mysore. My father has got paternal Estates in Hosur Taluk. The annual income of these is from 100 to 150 Rs. I see Exhibit P 105 Savings Bank Pass Book. The account has begun from 28-10-1922. From 28-10-1922 to 14-6-24, the total amount deposited is Rs 219-0-0. On 21-11-23interest Rs 1-3-5 has been added. I have withdrawn 220 Rs during that period leaving only a balance of 3 as - 5 pies. From 11-8-26 to 3-3-27, I have deposited Rs 550-0-0. There have been no withdrawals at all during this period. On 11-4-27, I have withdrawn 250 Rs. This Pass book is in my name. Mr. Purnachar came to my house and asked me to give away the 250 Rs I had withdrawn. I explained to him that it belonged to me and that he had no right to take it away from me. He then said that if I did not produce it then and there, he would go in and seized it by force. I

was

was afraid. I said I would give it to him on condition that he would give a receipt for it. He said he had no objection and gave me a receipt. I then produced the money. Mr. Purnachar drew up a mahazar and I have signed it. He asked me to bring the Pass Book to the Police Station, and I gave it to him in the Police station, at about 3 P.M. on 11-4-27 - The money was given at my house at about 8 P.M. The receipt was written at night. Exhibit P 106 is the receipt I see Exhibit P 107 - This is a document executed by Venkataramana Jetti in favor of Srirangamma, my mother. This was executed on 22-8-26 for ₹ 2000. This relates to the purchase of a land near Kalastavadi. ₹ 1150 were paid in instalments - This 1150 is the actual price. The bond is for ₹ 2000 nominally. I do not know in how many instalments the money was paid. I see Exhibit P 108. This is document executed by one Jevaregowda in favor of my brother Srinivasiengar on 10-6-1925. This was registered on 18-6-25 - for ₹ 200/ The amount has been paid to the party. I do not know who paid the amount. I did not produce the documents exhibits P 107 and P 108. I see Exhibit P 109 dated 2-4-1927. This is in my father's handwriting- This is addressed to Dear Srinivas and Ramaswami. It may refer to me and my brother. I did not receive this letter. Mr. Purnachar has recorded my statement and I have signed it. I might have stated to the Inspector that my father was sending me 30 ₹ a month. That is not true - I might have said that I was spending 30 ₹ a month. I have been working under Mr. Venkata Rao since 3 months. Till then I was not practising. Before that I was earning something by private tuition. Mr.Venkata Rao is not giving me anything. I am an M.A.,and L.L.B. It was not worth mentioning and so I did not say before the Police that I was earning anything.

Cross Examination Nil.

Read and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore
15-6-1927.

'Copy'
City Magistrate,
M y s o r e.

handle himself. If hundred rupee notes had been entered, there was likelihood of the Amildar asking for them for counting at the time of inspection. To avoid this contingency smaller denomination notes were substituted., which would clearly amount to falsification of accounts. It is also ascertained from the Shroff that a sum of Rs 1,300/- had also been misappropriated from the impreat which was made good in January 1927 by taking the amount from the double lock. Thus the total shortage on 31-12-26 amounts to Rs 13,000/- of which Rs 1,300 was in the impreat. The impreat according to book figure on 1-1-27 was Rs 1,687-1-9. If the Amildar had carefully counted the notes and checked the impreat on 1-1-27, he would have been able to find out the shortage both in the impreat and in the double lock. These are the only strong circumstantial evidence so far available against the Sheristadar who is mainly responsible for correctness of amount in the remittance despatched from the Taluk Treasury which should agree with details of invoices following the remittance.

So far as shroff and the Head Gumastha are concerned, there is a specific offence under Sec. 409 I. P. C. for the removal of Rs 13,000/- from the double lock on 14-3-27 to make up the shortage in the remittance sent to the District Treasury by the previous Sheristadar on 4th March 27 before he handed over charge by means of which he was able to keep correct balance for the new-comer. A separate charge sheet will be placed against the Shroff and the Head Gumastha for this specific offence. Additional evidence is being collected against the Sheristadar. After investigation is completed, it will be decided on what counts the charge sheet may be placed against the Sheristadar singly or against the three jointly.

Maintenance of high balance for months together so as to cover the shortage, systematic attempt to collect smaller denomination notes after every remittance until the number reached a figure covering the shortage, detention of untested remittance in the District Treasury until the balance rose high enough to cover

IN THE COURT OF THE CITY MAGISTRATE, M Y S O R E.

Case No. 472 of 1926-27.

Deposition of	M.Krishnachar	16th witness
Father's name	Vithobachar.	for prosecution.
Age	46 years.	
Caste	Madhwa Brahmin.	
Occupation	Head Shroff of the District Treasury,	
Residence	Mysore City.	

M y s o r e
ON SOLEMN AFFIRMATION.

By the Police Prosecuting Inspector.

I am Head Shroff in the Mysore District Treasury for the last 9 or 10 years. There are 2 Deputy shroffs in the District Treasury. Their names are Shankarappa and Kapanipathiya. My duty as District Shroff is to receive and disburse monies. The shroff who actually receives the money writes up the Jama Register. The Kharch Register is written by a Gollu and he obtains the signatures of parties. I maintain a Katchabook. I enter the voucher No: and the amount in this Katcha Book. Remittances are received from all Taluks of the District. The shroff of the Taluk accompanies such Remittances. Remittances of Taluks are shroffed some times on the same day. They are received and if the amount is large they are shroffed 2 days or 3 days or more after they are received. When once shroffing is begun, it is maintain continued day by day till the whole amount of the remittance is shroffed. The checking and receipt of remittances of Taluks is done if the Treasurer sends the Irsal boxes opened to me after checking the contents with the chit on ~~lock~~ each box with the Taluk shroff concerned. The distance between where I sit and the District Treasurer sits is about 15 feet. The distance between the Treasury strong room and the place where I sit is about 35 feet. The Taluk shroff has the Irsal box brought near me by a Gollar for my checking the contents. The Irsal box comes to me after the seals are broken and the lock of box opened. The lock being simply put on on the hasp without being locked. The Irsal box is kept 5 or 6 feet from me. The 2 shroff takes out the

contents

Privately

CONFIDENTIAL.

C.C.141

26-7

Encl. 2 Copies.

Office of the Deputy Commissioner,
Mysore District.
Dated, Mysore, 28th April 1927.

Dear Mr. D' Souza,

With reference to your office D.O. letter No.C.C. 60/26-27 dated the 6th April 1927, calling for information on certain points re the deficit of Rs.13,000/- in the Mysore Taluk Treasury, I write to state as follows:-

1. A copy of the report obtained from the Mysore Sub Division Officer on the points, together with a copy of the Amildar's explanation in the matter is enclosed herein.

2. The Treasury has been inspected on the marginally noted dates by the officers noted against each. As, in addition to the two inspections during 1925-26 by the District Treasury Officer, the Mysore Sub Division Officer, had also inspected the Treasury on 29-4-1926, I did not inspect the same during 1925-26.

15-6-1925 Deputy Commissioner.
17-6-25 District Treasury Officer.
6-12-25 Do
29-4-26 Mysore Sub Division Officer.
18-6-26 District Treasury Officer.
22-12-26 Do

3. The statement made by the Mysore Sub Division Officer in his enclosed report that there has been a remittance at the District Treasury untested at the time of each inspection requires correction in-as-much as there was no remittance untested on the date of my inspection on 15th June 1925. The double lock cash was forthcoming that day.

4. The Amildar states that he inspected the Treasury on the 1st of every month, (except on 1-2-1927 when he was on casual leave in Madras) in the manner detailed in his explanation.

5. The double lock "Put in" and "Taken out" entries are reported to have been made invariably in the Sheristedar's own handwriting. From this it may be inferred that

contents of the box and places them on the floor. I distribute the bags and notes between the shroffs and myself and then we count. We receive Invoice with the Remittance - One copy comes to me. The shroff brings it. The sepoy brings another copy which is signed by the Treasurer and the District Treasury Officer and returned. The Invoice which the shroff brings is kept in the single lock box. The key of this is with the Treasurer. I check the contents of each box with the Invoice and tick on the Invoice after check of each box. The Irsal boxes which could not be shroffed on any day are kept in the Treasury room and the Invoice will be kept in the single lock box. The Treasurer gets the Irsal boxes kept in the Treasury room opened in the room itself and sends the boxes to me with a gollar. Boxes containing notes and small coin are sent up to me in the boxes themselves. As regards rupees the bags are sent to me from the Treasury room. I do not go into the Treasury room when the Irsal boxes are opened in the room. I note on the back of the Invoices, the amount shroffed each day. The shroffing of the Mysore Taluk remittances used to be delayed some times and not delayed at other times. Several orders have been issued from the District Treasury about the delay in shroffing of remittances received from the Mysore Taluk Treasury. I see Exhibit P 64. Invoice of Mysore Taluk Treasury dated 16-5-1923, of the remittance sent on that day. The remittance was for ₹ 46,860-0-0. The Invoice comprises notes, rupees and small coins. The currency notes of this remittance were shroffed on 18-6-23 Exhibit P 64(b) I see Exhibit P6. It is the Invoice of remittance dated 11-9-1925 for ₹ 20300. The currency notes comprised in this remittance were shroffed on 11-9-25 Exhibit P6(b). This Invoice mentions 325 - One rupee notes as having been remitted. On that day 400 of one rupee notes were put in in the double lock box of the District Treasury including 25 of

ಸಂಜೆ or collections of the day. Exhibit P 93 is the entry in the note register. I see Exhibit P8. It is an Invoice dated 28-9-1925 for ₹ 30354 from Mysore Taluk Treasury The currency notes of this remittance have been shroffed. (ಶ್ರಾವಣಿಕ ಪ್ರತಿಕ್ರಿಯೆ) On 13-10-25 Exhibit P8(b) On 13-10-25 500 - one rupee notes including collections of the day have been put in in double lock box of the District Treasury as per notes register. Exhibit P 94 is the entry in that register. In 1925, one rupee notes were uncurrent. Uncurrent notes are not issued from the Treasury. The remittance relating to Exhibit P8 were shroffed on 8th, 9th, 12th and 13th. I see exhibit P 10 - It is the Invoice of remittance from Mysore Taluk Treasury dated 27-10-1925 for ₹ 29570. The currency notes of this Invoice were shroffed on 5-11-25 Exhibit P10(b) the date of the final shroffing of this invoice. The shroffing of the remittance was done on 4 other days prior to this. I see Exhibit P 12 - This is Invoice dated 25-2-26. This was finally shroffed on 11-3-26 The currency notes of this Invoice were shroffed on 9-3-26 Exhibit P 12(b). Shroffing of this remittance took place before this on 8-3-26 and on another day before this last date which is not noted. I see Exhibit P 14 Invoice dated 28-4-1926. The currency notes of this remittance were shroffed on ~~30-6-1926~~ 17.5.1926 - which is also the date of final shroffing of this remittance.* I see Exhibit P 18 Invoice dated 26-6-26. The currency notes of this remittance were shroffed on 20-7-26 which is the date of final shroffing of this remittance. I see Exhibit P 20 Invoice dated 31-8-1926. The currency notes of this remittance were shroffed on 9-9-26, which is the date f of final shroffing of this remittance. I see Exhibit P 24 Invoice dated 30-10-26. The currency notes of this remittance were shroffed on 13-11-26 the date of the final shroffing of this remittance. I see Exhibit

P26

* Exhibit P 14(b). This remittance was shroffed on 6 different dates as there were large amounts of small Coins. I see Exhibit P 16. Invoice dated 29.8.26. The Currency Notes of this remittance were shroffed on 23.6.26 which is the date of final shroffing of this remittance.

The total sum thus defalcated amounted on or before 4-3-1927 to Rs 13,000/-. The prevent detection of the fraud at the time when the new Sheristedar was to take charge the accused 1 and 2, that day sent a remittance of Rs 02,500/- to the District Treasury transferring the shortage to it. Though the invoice showed that the remittance box in which the currency notes were kept, contained 1600 x Rs 10 notes and 3260 x Rs 5 notes, there were actually only 800 x 10 and 2260 x 5 and that there was shortage in it of 800/- x Rs 10 notes and 1000 x Rs 5 notes. On 14-3-1927 when this remittance was tested, the 1st acused in collusion with Head Gumasta Srikantiah who was in charge in place of Rangaswamiengar on other duty abstracted the corresponding number of 800 x Rs 10/- and 1000 x Rs 5/- notes kept in the double lock box on 9-3-1927 to make good the shortage in the remittance box. The shortage which existed in the double lock box on 4-3-1927 was thus clewerly transferred by the accused to the remittance box so that the new Sheristedar on assuming charge may find the cash on hand agreed with the book balances which in fact was what actually happened. The notes kept in the double lock box on 9-3-1927 and abstracted from it on 14-3-1927 were not actually misappropriated but were duly remitted to the District Treasury in accordance with the amount shown in the invoice. The actual shortage was anterior to 4-3-1927 and that Hanumantha Rao and Rangaswamiengar only discovered it on 29-3-1927 being unaware of the way in which the accused 1 and 2 had very artfully manipulated the accounts by shifting the shortage from the double lock box to the remittance box.

VI. Though the accused are said to have defalcated various sums of money on different dates, the present charge is confined to the single act of defalcation of Rs 800/- on 6-4-1926. On that day the opening balance in the double lock register Ex.P1(u) was Rs 49,185/- consisting of

working expenses. Rangaswamiengar obtained the permission of the Amildar PW1. Mr. V. S. Rajagopalachar to send Rs. 30,000/- out of Rs. 34,000/- and odd in the Treasury. The remittance could not be sent that day as the remittances boxes were in the District Treasury and peon Javara who was deputed to bring them brought them late. Next morning 29-3-1927, Hanumantha Rao who had one set of keys and Rangaswamiengar who had another set, opened the double-lock box at 11 A.M. to send the remittance and found that 8 packets of Rs. 10/- and ten packets made into a bundle of Rs. 5/-, kept in the gunny bag article No. 1 on 9-3-1927 were missing. After this discovery Rangaswami Iyengar did not immediately report the shortage to the Amildar but waited for the Ist accused Honnaiya, who was due to return to duty that day. . Honnaiya turned up at about 1 P.M. As to what exactly happened after he came, the evidence of Hanumantha Rao and Rangaswamiengar is confused and contradictory; the latter sought to make it appear that his conduct was suspicious as he stood mute and crying when informed of the shortage and the former sought to whitewash him by stating that he went to the double lock room to search for the missing notes and there was nothing unusual in his conduct. Neither of them can be trusted to speak the truth as one is anxious to avert suspicion against himself, and the other perhaps to help a master in trouble. Whatever this may be, the notes were not found and the matter was duly reported to the Amildar Mr. Rajagopalachar at 2 P.M. He went to the Treasury at about 2-30 P.M. and sent-information to the Deputy Commissioner and Assistant Superintendent of Police Mr. Siddaraja Urs, the Sub Division Officer Mr. Abdul Khadar, Mr. Siddaraja Urs and Amildar checked in detail the monies in the Treasury till 9 P.M. and found the cash on hand was less by 800 x 10 Rupees

and

and 1000 x 5 Rs.or Rs. 13,000/- in all, than what the book balances showed. The Amildar then gave the formal complaint Ex.P74 to the Assistant Superintendent of Police who referred it to Police Inspector PW15 Mr. Poornachar for investigation. The C.I.D.Inspector PW.3 Mr. Seshagiri Rao was also deputed to examine the accounts. A charge sheet was duly placed against the accused 1 and 2 and Srikantiah.

IV. It will be seen from the facts narrated above that at the time the shortage was found and on the previous day, Hanumantha Rao and Rangaswamiengar were in charge of the Treasury and had opened the double lock box and that the Ist accused was then on casual leave and the 2nd accused had long previously been transferred and had handed over charge and that his successor Rangaswamiengar found the cash balances agreed with the book balances after he assumed charge. Hanumantha Rao and Rangaswamiengar who had the keys and had opened the double lock box both on 28-3-27 and 29-3-27 must prima facie be held accountable for the shortage. Their responsibility to account for the shortage will be come conclusive if a lumpsum of Rs. 13,000/- was defalcated on any particular day. This in fact is the very reasonable defence set up by the accused. It is incumbent therefore on the prosecution to make out by clear and convincing evidence that it is not Hanumantha Rao and Rangaswamiengar that defalcated the money but it was accused 1 and 2 neither of whom was in charge at the time the fraud was discovered.

V. The case for the prosecution is that the accused 1 and 2 acting in collusion with Head Gumasta Srikantia systamatically embezzled various sums of money on different dates between 15-6-1925 when the Deputy Commissioner inspected the Treasury and found everything correct and 5-3-1927 when the 2nd accused finally handed over charge of the Treasury.

The

II. It is established by clear evidence on record of P.W.1,P.W.2 and P.W.6 and is not disputed by the accused that on the morning of 29-3-1927 at about 11 A.M. when the double lock box kept in the double lock Treasury Chamber guarded by Bar Sepoys was opened, a shortage of Rs 13,000/- was discovered. There is no evidence and there is not even a suggestion on the part of the defence that any third person broke open the Treasury Room and committed theft. In the absence of it, the person who had the custody of the keys and of the double lock box and the double lock room and were entrusted with the monies must alone be held accountable for the shortage. According to rules one set of keys must always bewith the Shroff and another set with the Amildar and in his absence with the Sheristedar. As the personnel has changed, to fix the responsibility, it is necessary to state theevents that led up to the discovery of fraud and the persons in charge of the keys at the time and had access to the cash box and other dates and incidents, the significance of which will appear later and which it is necessary to bear in mind.

III. First accused Honnaiya was Shroff in the Taluk Treasury since 1919 up to 29-3-27 and had given security for the due performance of his duties. During his absence on short leave Gollar Hanumantha Rao PW.2 of and on acted for him but on his responsibility. But this responsibility of the Ist accused for the acts done by his locum tenens, is a Civil one to make good the shortage and he cannot be fastened with constructive Criminal Liability for the acts of the latter. The 2nd accused Venkataraghava Iyengar was Sheristedar since May 1922 up to 4-3-27. During his absence on leave or on other duties Head Gumasta Srikantia was in charge of the Treasury. Mr. V. S. Rajagopalachar was Amildar from 15-8-1926 till May 1927. The 2nd accused was transferred to Mandya and was imperatively ordered to hand

hand overcharge on the evening of 3-3-1927 alone but he failed to do it. On 4-3-1927 he sent a remittance of Rs. 62,600/- to the District Treasury, consisting among others of 1000/- Notes of Rs. 10/- and 3260/- Notes of Rs. 5/- and then handed over charge to the Head Gumasta Srikantiah on the forenoon of 5-3-27. His successor P.W.6 Rangaswamiengar, who was transferred from Gundlupet, assumed charge on 7-3-1927. He did not check the cash in the Treasury that day or the next as the Ist accused was on casual leave. On 9-3-1927 when the Ist accused returned to duty both of them checked the cash on hand and found it to agree exactly with the book balances shown in the double-lock Register. Among others there were that day 8 packets each consisting of 100 notes of Rs. 10/- and one bundle consisting of ten packets of Rs. 5/- amounting together to Rs. 15000/-. These were kept in the gunny bag Article No. 1. Loose notes of various denominations were kept in a tin box for current transaction. The bag and the tin box were kept in the double lock box. Subsequent to 9-3-1027, notes were taken out for current transaction from the tin box and the surplus receipts of notes of Rs. 10/- and Rs. 5/-, whenever they amounted to 100 and over, were made into packets and put in the gunny bag and loose notes in the tin box. The remittance sent on 4-3-27 was tested in the District Treasury on 14-3-1927 on which date and on 11-3-1927 (the intervening dates being holidays) Ist accused and Head Gumasta Srikantiah were in charge as Rangaswamiengar was on other duty. The transactions went on as usual till 28-3-27 Monday when the Ist accused Honnaiya took a day's casual leave and on the previous Sunday handed over one set of keys of the doble lock room and box to Gollar Hanumantha Rao. The latter and Rangaswamiengar who were in charge of the Treasury that day received an urgent requisition from the District Treasury to remit all the surplus cash in the Taluk Treasury over and above that required for working

In the Court of the Sessions Judge, Mysore Division.

Mysore, dated 22nd February 1928.

P r e s e n t :-

S. Venkatakrishnaiya, Esq., B.A., B.L., Sessions Judge

Mysore Sessions Case No. 10 of 1927-28.

Complainant. .... Government of Mysore.

-Vs-

Accused. .... 1. Honnaiya.

2. Venkataraghaviengar.

J u d g m e n t .

I. The case against Ist accused Honnaiya and 2nd accused Venkataraghaviengar is that they being Government servants and jointly entrusted with Government money in their capacity as Shroff and Sheristedar respectively in the Mysore Taluk Treasury, misappropriated a sum of Rs. 800/- on 6-4-1926 out of a total sum of Rs. 13,000/- defalcated from time to time between 15-6-1925 and 4-3-1927 and their by committed an offence punishable under Section 409 I.P.C. Head Gumasta Srikantiah, who acted for short periods on different dates as Sheristedar during the absence of the 2nd accused, was also committed along with accused 1 and 2 on the same charge. The dates on which the 2nd accused, Srikantiah are alleged to have embezzled monies being different, to avoid misjoinder of charges and possible prejudice to the accused, Srikantiah was tried separately along with the Ist accused, but the evidence is absolutely the same in both the cases.

officers concerned responsible [illegible] the losses. [illegible] Judgment of the Sessions Judge will show, the embezzlements [illegible] carried on by the officials, very ingenious methods [illegible] used, which it was difficult to detect. [illegible] stances, I do not know whether Government would desire to hold the officers responsible. I have asked the [illegible] Commissioner separately to forward his opinion in the case in which [illegible] extent of the blame attached to the officers concerned, and I shall submit his views with my own remarks.

I have the honor to be,

Sir,

Your most obedient servant,

H. Chaudhuri 14/4/26

Assistant Commissioner
for Revenue Commissioner.
absent from the Station

35. During the period I and II above the 3rd accused has been very often in charge of the Treasury and the prosecution has adduced evidence to show complete privity existing amongst all the three accused during these two periods and no reason is made out to make out a differentiation amongst them.

During the period III noted above the 2nd accused ceased to have control over the money of the Treasury. The 3rd accused continued to have his intimate connection with it and the matter would concern only the 1st and 3rd accused out of the persons now charges sheeted.

36. It has been held that more than one person cannot be jointly charged under section 409 Indian Penal Code but that one accused may be charged under section 409 Indian Penal Code and the others with abetment of the offence. It has been also held that the accused charged under section 409 Indian Penal Code may in the alternative be charged with abetment of the offence by the other accused.

37. The charges framed by my predecessor would seem to require amendment in the light of the circumstances set forth in paragraphs 33, 34 and 35 above and also for the reason that the charges overlap one another, the amounts noted in the one being included in the amounts noted in the other charges which would give rise to the objection that the person is proposed to be tried more than once in respect of the same amounts.

37. Keeping in view all these circumstances I have framed three charges which would involve three separate trials, taking care that the amounts noted in one charge are exclusive of the amounts noted in the others and avoiding joinder of two accused in charged under section 409 Indian Penal Code and charging them in the alternative for abetment.

38 The accused all three of them have presented 22
separate applications praying that they may be committed to the Sessions and urge that this procedure will avoid the inconveniences of a denovo trial due to a change in the magistracy and that thereby much time would be saved. The public prosecutor in the course of his arguments supported the prayer of the accused and recommend the committal of the accused to the Sessions not for the reasons urged by the accused but for the reasons contemplated in section 347 Criminal Procedure Code.

39. It will be seen that after about one year and nine months the defalcation commenced, the deficit was brought to light and that this was mainly due to a change in the Sheristedars. The defalcations were carried on during this long period in spite of frequent inspections by the Inspecting Officers. This circumstance would go to show the consummate skill and care with which they were carried on. In these circumstances I consider that if the prosecution prove their case against the accused, the accused certainly deserve a severer punishment than this court can inflict. Accordingly agreeing with the learned public prosecutor I have committed the accused to take their trial before the court of Session.

Sd/ B. NARAINSAMIENGAR,
City Magistrate, Mysore.
29-11-1927.

'Copy'

for District Magistrate
Mysore

Charge of them. P.Ws 1 and 4 with the help of P.W2 are trying to throw the whole blame on the 1st accused for an and incident which occurred in their time and for the reason that the methods of P.W4 did not commend themselves to the 1st accused. No shortages have been discovered in any of the remittances taken by the 1st accused to the District Treasury and the methods of calculation applied by P.W19 are unsatisfactory.

2nd accused Venkataraghaviengar.

The 2nd accused gave full charge of his office and everything connected with it to P.W4 the new sheristedar on 7-3-27. He ceased to have any connection with the Kyasa Taluk Treasury thereafter and that for what has transpired after that date he is not at all responsible. There was no conspiracy between him and any other in this connection.

3rd accused Srikantaiya

He was only in charge of the treasury off and on as per orders received. It is not true that he aided the other accused or conspired with them. The Police wanted him to give evidence as tutored by them. He refused as he could not depart from the truth. For this he has been arraigned as an accused.

32. On the above evidence my predecessor framed the following charges presumably one charge being meant to be proceeded with before him at one trial.

1. A charge under section 409 Indian Penal Code against 1st and 2nd accused in respect of a gross sum of about Rs 5735 during the period between 15-6-26 and 28-4-26.
2. A charge under section 409 Indian Penal Code against the 1st and 2nd accused in respect of a gross sum of about Rs 6765 during the period between 29-4-26 and 5-3-27.
3. A charge under section 409 Indian Penal Code

against

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against the 3rd accused Srikantia in respect of a gross sum of about ₹ 9500 on 9th December 1926.

4. A charge under section 409 Indian Penal Code against the 1st and 3rd accused in respect of a sum of ₹ 500 on 13-12-26. A charge under section 409 Indian Penal Code against the 1st and 3rd accused in respect of a sum of ₹ 13000 on 14-3-27.

33. There was a General deficit in the Treasury to the extent of ₹ 13000 on 29-3-27. It would not be possible to determine the particular items of amounts comprised in this total deficit amount nor the persons by whom such item of amounts were paid to the Treasury. According to the modus operandi adopted in bringing about this deficit the period taken to bring about this general deficit disclosed on 29-3-27 is from 15-6-25 to 29-3-27. This period exceed a period of one year. In the circumstances the section that has to be kept in view in framing the charges is section 222(2) Criminal Procedure Code. There is however this difficulty in the case even in regard to fixing the gross sum exactly that would have been short at the end of any defenite deficits period fixed to suit the requirements of section 222(2) Criminal Procedure Code. The only course available in the circumstances is to fix a sum which is reasonably approximate as deduced from the modus operandi adopted and other circumstances inferentially coming to light by an examination of the double lock registers invoices accompanying remittances, dates of remittances and testings, requisition for remittances etc.

34. The period accordingly proposed are between the following dates

I 15-6-25 to 28-4-26

II 29-4-26 to 5-3-27

III 11-3-27 to 29-3-27

accused. He was studying in Bombay for three years from 1923-26 and was getting free boarding and lodging. 2nd accused was sending him about 10$ a month and not $ 30. The 2nd accused has paternal estates which would fetch $ 100 to 150 per annum. 2nd accused's pay was $ 97 per month. Exhibit P 105 is his Pass book Savings Bank. From 28-10-22 to 14-6-25 P.W18 has deposited $ 219 which fetched an interest of $ 1-3-5. The amount withdrawn during the period is $ 220 leaving a balance of 3 annas 5 pies. From 11-8-26 to 3-3-27 P.W18 has deposited $ 330. There have been no withdrawals during the period. On 11-4-27 P.W18 has withdrawn $ 250. Inspector seized this passbook and also recovered $ 250 from him.

28. P.W18 has deposed that exhibit P 107 is a document executed by P.W25 Venkataramanajetty in favour of P.W18's mother Srirangamma on 22-8-26 for $ 2000 towards purchase of a land near Kalastavadi by 2nd accused's wife 2nd accused got the sale deed executed in his wife's name. P.W25 has deposed that 2nd accused paid $ 400 on the day the bond was written. Two months after 2nd accused paid $ 749.

29. Exhibit P 108 is a sale deed executed by P.W27 Javaregowda in favour of 2nd accused's son Srinivas Iyengar. P.W27 sold his land for $ 200. This was on 10-6-25. $ 100 was paid on that day by 2nd accused and the remaining $ 100 was paid on the day of registration by the 2nd accused's son Srinivas Iyengar.

30. P.W21 Inspector Mandya Taluk searched the house of the 2nd accused in Mandya Taluk on 12-4-27 and seized exhibits P 109 and P 112.

P.W28 is the Mysore City Inspector who investigated the case. He has gathered from the Treasury accounts that the 3rd accused was in charge of the treasury on the following dates:—

27-6-25

14 to 18-7-25 both days inclusive

28-7-25

12-8-25

18-9-25

4-1-26

19-1-26

25-1-26 to 2-2-26 both days inclusive

10-3-26

13-4-26

10-6-26 to 14-6-26 both days inclusive

16-7-26

19-7-26

24-8-26

26-8-26

28-8-26

13-9-26 to 15-9-26 both days inclusive

3-11-26

3-12-26 to 17-12-26 both days inclusive

6- 1-27

8- 1-27

18-1-27

26-1-27

13-2-27

17-2-27

5-3-27

11-3-27

14-3-27 to 22-3-27 [redacted]

31. The accused have presented written statements to the following effect.

1st accused Bonnaiya

He was on leave from the evening of 26-3-27 to 29-3-27 noon and cannot be held responsible for what occurred during his absence. On the evening of 26-3-27 before he proceeded on leave P.W4 examined all the coins xx and notes of the single and double lock boxes and took xx charge

The 1st accused winked at P.W2 suggesting that he should be quiet. After counting, the box was sealed and they came out. P.W2 suspected that there might be a shortage in the amount In the evening after close of the treasury 1st accused and P.W2 went home together. 1st accused told P.W2 not to tell the matter to any one and that he would get him a shroff's post and also ₹ 300 for security and that he might discharge the amount at 10 ₹ per month after he got a pay of ₹ 30. P.W2 accordingly did not inform this to any one. He was put to act as temporary shroff for one month.

24. P.W9 Parthasarathi Iyengar is the shroff at Mandya Taluk Treasury. On 29-3-27 at about 10 O'clock he met the 1st accused in Mandya on the road leading to the Taluk cutchery from the Brahmin street. He knew the 1st accused as he would bringkkmak irsal to the District Treasury when witness was shroff there. 1st accused spoke to P.W9 and asked him to show the 2nd accused Sheristedar's house. P.W9 led him there. 1st accused called the 2nd accused. They both spoke to each other near the door. P.W9 was standing on the road at some distance and could not hear what they spoke. Then 1st accused and P.W9 came to the Mandya Railway station platform P.W9 left the 1st accused there and returned to his house as it was late for his office.

25. P.W10 Thimmaiya has taken a loan of ₹ 50 from 1st accused executing a pronote exhibit P 89.dated 12-12-26.

P.W12 was once a deputy shroff in the District Treasury some ten years ago. 1st accused was a gellar there. He was appointed shroff first in the District office and then transferred to Mysore Taluk. 1st accused and his father executed a bond in 1917 and took a loan of ₹ 200 from P.W12 for finding security amount for 1st accused exhibit P 90. On 5-2-28 1st accused paid the balance due on the bond Viz ₹ 85 exhibit P 91 is another bond executed by 1st accused's father

his father and Puttia for Rs 300 in his favour of P.W12. This amount was repaid in 1923. Honnaiya's house is worth Rs 500.

P.W13 Boraiya took a loan of Rs 500 from the 1st accused on 8-5-1926. A month after he took another loan of Rs 100. Subsequently he took an another loan of 30Rs from him. He has in all taken Rs 630 from the 1st accused since 8-5-26.

1st accused gave Rs 140 to P.W14 Manchaiya saying he was going for devaru on 5 days casual leave. This amount comprised 10 ten rupee notes and 8 five rupee notes. 1st accused gave the money saying ಇಟ್ಟಿರು He also gave him the key of house and asked him to take care of it. 4 or 5 days after P.W14 produced the amount before the Inspector who also took some papers from the accused's house.

P.W15 Kalaiya took a loan of Rs 130 from the 1st accused 8 days before last Maharnavami without a bond. He has been dealing with him like this for the last 10 or 12 years. He had paid Rs to 1st accused and produced Rs 125 before the Inspector.

26. P.W24 Totadappa has taken a loan of Rs 80 from the 1st accused under a bond exhibit P 119 dated 17-3-27.

P.W23 Bettaiya keeps a ga groundnut and ragi shop 1st accused's son Thimmaiya is about 8 years old. Exhibit P 115(b) is an entry in his accounts showing that on 11-10-25 that he received a sum of Rs 455-9-6 being the value of ground nuts supplied to his shop by Thimmaiya son of Honnaiya. On the same day another sum of Rs 100 is entered as having been received from the same person representing ragi supplied. Exhibit P 115(c). P.W23 has also taken a loan of Rs 200 from the 1st accused a year ago without executing a bond for this.

27. P.W18 Mr. Ramaswamiengar is the son of the 2nd accused

The date on which and the amount said to have been defalcated.	Taken out.	Credit.	Debit.	
1. 23-6-25 Rs 500/-	5 x 100	2575-15-3	75-15- 3	No note of 100
2. 14-7-25 " 1040	6 x 100 100 x 5	312-12-0	187-12-0	put in.
	No note of any denomination put in.			
3. 18-8-25." 1750	2 x 100 180 x 10	1810-12-0	70-12-0	
	Put in --- 19 x 10 26 x 5 20 x 1 2900 whole rupees 500 small coins. The rest of notes disappear against the payment of Rs 70-12-0 only.			
4. 9-9-25 " 500	5 x 100	2911-14-0	1061-14-0	
	Put in --- 3 x 100 520 x 1 etc.			
	It is shown already that the defalcation of Rs 500/- is here represented in 500 x 1 and that it was changed to 100 x 5 on 28-9-1925 remittance. Considering heavy receipts notes of 100 must have been received.			
5. 29-10-25"1340/-	2 x 100 33 x 10 173 x 5	635- 0-0	Nil.	
	Put in --- 11 x 5 15 x 1 1960 whole rupees.			
	All notes of 100 and 10 and 162 of 5 disappear against a nil payment.			
6. 5-2-26. " 340/-	Rs 1335/-	564- 6-1	499- 6-1	
	Put in -- 60 x 10 Whole Rs 500 Small coins 300			
	In 60 x 10 notes of the value of Rs 340 appear to be inflated.			
7. 6-4-26. " 800/-	8 x 100	1582-13-0	242-13-0	
	No note of 100 put in.			
8. 13-4-26." 150/-	1 x 100	85- 0-0.	Nil.	
	No note of 100 or 50 put in.			
9. 12 -11-26 500/-	1320	225-0-0	33- 0-0	
	Put in -- 5 x 100 among others. This appears to be an inflated entry.			

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the Taluk Treasury. He does not handle any money. The 1st accused would give details of the [illegible] balance the next day and he used to incarporate them in the accounts and send. The double lock register would be with the 1st accused during the time the 2nd accused was Sheristedar. He would write the remittance invoices according to pattis that would be furnished to him by the 1st accused and return the pattis to the 1st accused. He would write the slips of paper showing the rms amount and details of remittance contained in each box as per patti given by 1st accused and give it over to him. The 1st accused would get the slip signed by the 2nd accused and also sign it himself and have them pasted to the boxes. The money would be put into the remittance boxes the day the remittance was sent or on the previous day in case of urgency and invoices prepared accordingly. P.W5 and the 1st accused would go for getting the remittance shroffed. P.W5 would go for 3 or 4 days and after shroffing the coins would come and tellmx the 1st accused. The 1st ex accused would then go for shroffing the notes.

21. Several orders were received from the District Treasury to have the remittances sent shroffed promptly and also to promptly remit surplus amounts after keeping a minimum amount required for transactions. On 4-3-27 after the transactions were over the 2nd accused had the treasury sealed and told P.W3 that he would come late the next day and asked him to give the bag containing the treasury keys and seal to the 3rd accused and gave the bag to P.W3 at about 7.30 P.M. Next day P.W3 came to office and handed over the bag to the 3rd accused at about 11.30 A.M. telling him what the 2nd accused had told him. The 3rd accused did not open the treasury till 2 P.M. expecting the 2nd accused but conducted the transactions with the day's receipts. The 2nd accused did not turn up and the 3rd accused

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would not go except when P.W5 was absent or ill.

19 During the 2nd accused's tenure of f office the details of the days balance used to be entered the next day both for single and double lock boxes. The details used to be written from the double lock register and from the 1st accused's rough book exhibit P 79 for single lock balance. After P.W4 came he was not signing till the details were also entered in the register the same day. P.W2 has also deposed to the details that transpired between the 2nd accused and P.W8 Mr. Sellam Iyengar and states that the amount brought from the District Treasury Viz Rs 6000 and Rs.310 from the balance in the Taluk Treasury were paid to P.W8. He has also deposed that on 27-12-26 the remittance box that was brought from the District Treasury was locked and was kept in the corner where the 1st accused used to sit. P.W2 wrote the entry relating to the Jama of the R.T.R. amount as required by the 1st accused. He did not see any money. The box was not at all opened and P.W5 kept the box in the Treasury room. 1st and 2nd accused and P.W5 went into the Treasury room and came out after quarter of an hour. P.W2 has also deposed to what happened on 14-3-27 when the remittance sent on 4-3-27 was finally drawn on 14-3-27. P.W2 has deposed that on 14-3-27 the 1st accused and the 3rd accused opened the Treasury at 11 A.M. P.W2 brought out the single lock box and the impress box and kept them outside. Then the double lock box was opened by the 1st and 3rd accused. They sent P.W2 out to look after the current work. He came out and he cannot say how long after they came out as he was attending to current work.

20. P.W5 Jabara masalchi Taluk Treasury does not say anything material to the case.

P.W3 M.P.Srinivasa Rao is the Nagadi Gumasta in

the

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contents of this box and did not tick off the entries relating to the notes of the other denominations as he had not checked them. The 1st accused took away the remittance box. Exhibit P100 is the R.T.R. Exhibit P101 is the payment voucher of the R.T.R. amount signed by the 1st accused exhibit P 101(a).

16. On this item P.W19 Sri.Seshagiri Rao has deposed that exhibit P 78(a) the shroff's receipt book shows that the R.T.R. amount was entered last in the transactions of the day Viz 27-12-26. The transactions of the day shows no necessity to use any part of the R.T.R. amount for the purposes of the days transactions. So what was brought from the District Treasury after cashing the R.T.R. must have been available for putting into the double lock box on that day. But the put in ch entry in the double lock register shows no notes of ₹ 100 but mentions as put in ₹ 900 in ten rupee notes and ₹ 7000 in five rupee notes and nothing more under notes. According to exhibit P 89 invoice of 21-12-26 the remittance box was supposed to contain 600 ten rupee notes and 800 five rupees notes. Taking this and the days transactions into consideration the put in entries in the double lockx register under ten and five rupee notes show clearly inflated figures. The remittance box brought back by the 1st accused could not have contained the notes supposed to have been in it. P.W19 has very reasonably fixed the amount as deficit in the double lock box that day at ₹ 11200.

17. P.W7 Sri. K.S. Vasudeva Rao District Treasury officer inspected the Taluk Treasury on 6-12-25 and on 18-6-26 and found the balances in the Treasury correct on those dates.

P.W17 Sri. M.Basavaraj Urs District Treasury Officer inspected the Taluk Treasury on 22-12-26 and certified to the correctness of the closing balance of 21-12-26.

P.W26 Sri. C.Ramappa District Treasury Officer

Deputy Commissioner's order.

13. P.W19 has deposed in this connection that on 28-12-25 the opening balance in currency notes in the double lock was Rs 7920 and the closing balance was Rs 8605. There was sufficient amount in notes to pay Rs 6310 to P.W8 on that day. The opening balance on 31-12-25 was Rs 8605 in currency notes and this was the next transaction day after 28-12-25. The remittance of Rs 6000 received from the District Treasury on 31-12-25 comprised Rs 2000 worth of each of the denominations of Rs 100, 10 and 5 notes. The double lock register shows no taken out entry on that day and payment to P.W8 could not have been made out of the currency notes in the double lock but was paid from what was got from the District Treasury and the days collections. The remittance sent on 1-12-25 to the District Treasury had been finally tested on 15-12-25 exhibit P 28(a) and the next remittance was sent on 12-1-26. On 28-12-25 and 31-12-25 there was no remittance pending in the District Treasury. The shortage on these dates must have been in the double lock box.

14. On 6-12-25 the District Treasury Officer inspected the Taluk Treasury. There was no shortage in the double lock box that day. TheDistrict Treasury Officer has certified to the correctness of the balance. On 1-12-25 a remittance was pending in the District Treasury. The shortage must have been in the remittance box pending in the District Treasury on 6-12-25. The invoice exhibit P 28(a) of the remittance on 1-12-25 showed Rs 5100 in notes of 5 and 10Rs and one rupee notes numbering 225. On 1-12-25 after the remittance, there were only 10 notes of 10Rs each and no notes of 5Rs in the double lock register. Exhibit 28(a) Invoice shows 200 notes of ten rupees and 975 notes of five rupees. After 1-12-25, it was only on 7-12-25 that

that the no of ten rupee notes reached the figure 218 and it was only on 14-12-27 that the no of five rupee notes reached the figure 627 in the double lock register. The fact that the remittance was tested on 15-12-25 would go to show how the deficits in the remittance box and the double lock box were being shifted from one to the other by a clear manipulation of the figures in the Double lock Register.

15. The prosecution have put forward another item. P.W6 Nagabhusan Rao is the Munsrai Gumasta in the Mysore Taluk. An R.T.R. had been received in the Taluk Office in favour of the Paramalaswami Mutt from the Deputy Commissioner's office for Rs 17320-8 on 23-12-26. The R.T.R. was sent with 1st accused to the District Treasury on 27-12-26 endorsing payment to him. As to what transpired in the District Treasury after it was taken therefor payment has been deposed to by P.W16 M.Krishnachar Head Shroff Mysore District Treasury. He has deposed that on the same day i.e.on 27-12-26 the Mysore Taluk Treasury remittance of 21-12-26 was finally shroffed. The amount that was to be shroffed was in Remittance box No.1. 1st accused Honnaiya had brought the R.T.R. He brought Remittance box No.1 and also the R.T.R. According to the invoice exhibit P 23 received on 21-12-26 this box was supposed to contain 17 hundred rupee notes, 600 ten rupee notes, 800 five rupee notes, 7 one rupee notes and two annas nickel coins of the value of Rs 1000. The 1st accused took out the nickel coins and the one rupee notes and gave them to P.W16. P.W16 checked them. Then the 1st accused told P.W16 that as he had already Rs 11700 of the remittance amount with him, the balance after deducting this to make up the amount of the R.T.R. may be paid to him. P.W16 accordingly deducted Rs 11700 out of the R.T.R. amount and paid the 1st accused the balance Rs Viz Rs 5620. P.W16 did not see what was inside the remittance box No.1. He ticked only two items of the

contents

at the time of testing. It may be taken that during the period between 15-6-25 and 4-3-27 there were not less than 22 such remittances to the District Treasury and right through the same procedure was observed eventually culminating in a deficit of R 13000 in the ten rupee and 5 rupee denominations. This circumstance would go to make out clearly that this was the modus operandi adopted to bring about the deficit of R 13000 subsequently brought to light

10. As connected with the same circumstances one would reasonably expect to find that to make up the need for ten rupee and 5 rupee notes there would be conversion of cash and currency notes of other denominations into ten rupee and five rupee notes and that the double lock register would be manipulated accordingly. As a matter of fact this state of things is visible from the entries in the double lock register. P.W19 in his evidence has given details of such conversions when there were no need for such conversion taking into consideration the transactions of the days concerned and even making due allowance for bonafide conversions of notes into money and vice versa. As a result when the deficit in the remittance box was made up the double lock box would show a deficit.

11. From the very nature of the above circumstances constituting the modus operandi adopted in the case, it would be impossible to determine the exact amount that could have been short in the Treasury at any particular date after 15-6-25 and before 29-3-27. But these very circumstances lend themselves to enable an approximate sum being fixed as the amount that might have been short on such a date. P.W19 after a very laborious scrutiny of the accounts has given evidence of the amounts that might have been short in the Treasury from time to time during this period. These amounts cannot be taken as exact amounts actually short at the several dates but they may be taken as

as reasonably approximate.

12. One item of amount has been singled out by the prosecution P.W22 Mr. K.R. Seetharamiengar Revenue Head Munshi Deputy Commissioner's Office and P.W8 Sellam Iyengar have deposed to the incident connected with this. P.W8 had purchased Mr. L.Vasudeva Iyya's house in auction and deposited Rs 6310. The Deputy Commissioner cancelled the sale and ordered compensation to be given to P.W8. The Deputy Commissioner issued an order exhibit P 87 to the Mysore Taluk Office directing the amildar to pay back the amount deposited by P.W8. This order was written by P.W22 and the Deputy Commissioner himself wrote therein in Kannada to the effect that a report should be sent before evening. This order was given to the hands of P.W8 on 28-12-25. P.W22 also wrote a demi official letter dated 28-12-25 to the 2nd accused exhibit P 88 to the effect that the deposit amount should be paid that day and a report sent to the Deputy Commissioner by bearer. P.W8 came and asked the 2nd accused for money on 28-12-25. The 2nd accused said he could only give coin. P.W8 wanted currency notes. 2nd accused said currency notes were not available and asked him to come two days after stating that he would get them from the District Treasury. P.W8 went to the Taluk Treasury at 12 noon on the 31st. Notes were received from the District Treasury at 3 P.M. and the 2nd accused paid him the deposit money of Rs 6310 in notes and P.W8 gave a receipt therefor exhibit P80(a) . P.W8 also wrote on P.W22's note exhibit P 88 to the 2nd accused to the effect that as there were no notes for that amount he requested the Sheristedar to pay him on the 31st exhibit P88(a). This was written to the dictation of the Sheristedar 2nd accused by P.W8 and given to the 2nd accused who said that it was necessary as otherwise he would be taken as having disobeyed the

Deputy

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of notes worth ₹ 13000 were missing and that the 1st accused did not give a satisfactory answer. P.W4 also saw the 2nd accused in the Taluk office on 7-3-27 and 8-3-27.

7. P.W1 Amildar has deposed that it was about 2 P.M. when P.W4 came and reported to him of the missing of the two bundles of currency notes worth ₹ 13000. He came at once to the office and saw the gunni bag and questioned P.W4 and the shroff as to why the notes were put in the bag when there was a separate tin box for it. P.W4 told him that the 1st accused told him that the bag was very convenient. P.W1 reported the matter both to the Deputy Commissioner and the Sub Division Officer. In the mean time he got all the coin in the double lock box removed outside for detailed examination. The Sub Division Officer P.W11 Mr. T.Abdul Khader also came there at once and conducted the examination. The Assistant Superintendent of Police was also present at the time. P.W11 commenced examination at 4.30 P.M.and finished the same at 9 P.M. According to exhibit P2 the double lock opening balance on 29-3-27 ought to have been ₹ 39300-12-0 but it was found to be ₹ 26300-12-0. In five rupee notes the balance ought to have been 1954 notes amounting to ₹ 9770. But it was only 954. In ten rupee notes there ought to have been 1292 notes amounting to 12920 ₹, but there were only 492 notes amounting to 4920 ₹. There was thus a shortage of ₹ 13000 in five and ten rupee currency notes.

* notes amounting Rs. 4,770/-

8. The modus operandi adopted for bringing about this shortage of ₹ 13000 has been deposed to in detail by P.W19 Mr. D. Seshagiri Rao C.I.D. Inspector. He examined the accounts relating to the case. He took up 15-6-25 as a starting point for his investigation as on 15-6-25 the Deputy Commissioner had inspected the Treasury and he had certified

certified that the balance in double lock was correct. Out of the remittance sent on 16-5-25 the notes portion had been tested in the District Treasury on 13-6-25. Between 15-6-25 and 31-12-25 the District Treasury Officers inspected the Treasury once on 17-6-25 and another time on 6-12-25 and the Taluk Amildar had inspected the Treasury on the 1st of every month commencing from July. All these inspections except the one on 1-12-25 have been ~~xxxx~~ preceeded by remittances to the District Treasury and these remittances had remained untested in the District Treasury on the dates of the inspections and it is observed that this same course or procedure has been adopted right through subsequently also. The period between the date of remittance and the date of testing has varied generally from 15 days to 25 days The need for such long periods to lapse between remittance and testing becomes apparent~~x~~ from the following circumstan

9. After scrutiny of the invoices accompanying the remittances and showing the several denominations of the currency notes supposed to be in the remittance boxes, it is invariably observed and ~~i~~t has been deposed to by the witness that the testing comes off only when the number of each of the denomination of ten rupee and five rupee notes in the double lock register reaches a figure somewhat in excess of the figures showing the numbers of these denominations supposed to be in the remittance box. This would in a way strongly suggest that the invoice accompanying the remittance boxes would not be in accordance with the actual contents of the remittance boxes which would either not contain the ten rupee and 5 rupee denominations of currency notes or contain only less than the figures noted in the invoice and the testing would be deferred till there was a sufficient supply of these notes in the double lock box to enable the deficiency in the remittance box being made up

at

bag containing the notes inside the double lock box. As there were a large number of notes he got all the five rupee notes made up into a bundle containing ten packets each packet containing 100 five rupee notes. This bundle thus contained Rs 5000 worth of five rupee notes. P.W4 also got up a bundle of ten rupee notes the bundle containing 8 packets of 100 notes each. This bundle contained Rs 8000 worth of ten rupee notes. The remaining five and ten rupees were put into the tin box and the two bundles were put into a h gunnibag article 1. P.W4 had the tin box and the gunnibag kept in the double lock box. On 10-3-27 P.W4 in the presence of the 1st accused took out 79 ten rupee notes from the tin box. He did not see the notes in the bag that day.

5. P.W4 has further deposed from the 11th to 15-3-27 he had gone to conduct a sale in Kalastavadi village and the 3rd accused was in charge of the Treasury during the period and has written up the entries in the double lock register. P.W4 returned to the charge of the Treasury on the 15th March and dun conducted the transactions to the close of 21-3-27. P.W4 was on casual leave on 22-3-27 and the 3rd accused was in charge. From 23-3-27 to 29-3-27 P.W4 was in charge of the treasury and conducted the transactions. On 28-3-27 intimation was received by telephone from the District Treasury that remittance should be sent after getting the remittance boxes from the District Treasury It was about 12 noon then. P.W4 sent P.W5 Javara to the District Treasury to bring the boxes. At about 4 P.M. P.W4 received from the District Treasury a written requisition exhibit P 73 to the effect that the remittance should be sent next day. On 28-3-27 1st accused was on leave and P.W2 Hanumanta Rao was looking after his work. P.W4 sent a slip exhibit P 86 to the Amildar P.W1 proposing that Rs

Rs 30000

₹ 30000 out of a balance of ₹ 34525-13-3 may be sent. P.W1 Amildar agreed to this. On 29-3-27 P.W2 Gollar Hanumanta Rao came at 11.30 A.M. P.W5 Javara and Gollar Venkatesia were also present. P.W4 got the main store door opened and took two remittance boxes inside and then got the double lock box opened. He asked P.W2 Hanumanta Rao to take out the notes in the Gunni bag and the tin box. P.W2 took out the gunni bag and the tin box. He mxx emptied the notes in the gunni bag on the floor. The two bundles of five and ten rupee notes for ₹ 5000 and 8000 respectively kept in the gunni bag were not there and only 3 net bags and some small packets of five and ten rupee notes fell from the gunni bag. P.W2 said that the two bundles of notes were not forth coming. P.W4 then counted the notes in the tin box and those which fell from the bag and kept them in the remittance box and kept this box in the double lock box which he locked. The two bundles aggregating ₹ 13000 were missing and the rest was all right.

6. P.W4 has further deposed that 1st accused came to office that day at 1.10 P.M. on 29-3-27 P.W4 told him that remittance had tok be sent and asked him to open the double lock box and had the mainstore and double lock box opened and asked the 1st accused to tell him where the two bundles of notes were. The 1st accused with tears in his eyes said that he had kept themm there. When asked to see the box well he did not take out or touch anything but simply looked into the box and said that he had kept themx there and that it was not there. P.W4 asked him to search all parts of the room and see, where upon the 1st accused merely stood crying and said P.W4 then ನನ್ನಲ್ಲಿ ಕೊಟ್ಟಿರುವುದಿಲ್ಲ. ನೀವೇ ತೆಗೆದುಕೊಂಡಿರಬೇಕು ಸ್ವಾಮಿ. P.W4 then had the double lock box and the mainstore closed and asking the 3rd accused to take his seat went to P.W1 Amildar and informed him that two bundles

of

IN THE COURT OF THE [illegible] MYSORE. 205

Dated this 29the day of November 1927.

Present:- B. NARAINSWAMIENGAR, Esquire., B.A.,B.L.,

City Magistrate, Mysore.

Criminal Case No. 472 of 1926-1927.

Complainant		Accused
Government.	Vs.	1. Honniah 2.Venkataraghava Iyengar 3.Srikantiah.

R E S U M E .

The Lashkar Police placed a preliminary charge sheet against the above 1st accused on 14-4-27 for an offence under section 409 Indian Penal Code and a final charge sheet against all the above three accused on 25-4-27 for offences under sections 409,417 and 109 Indian Penal Code. I note below the facts of the case for the prosecution.

2. The 2nd accused was the sheristedar of the Mysore Taluk and as such was in charge of the Mysore Taluk Treasury from 15-6-25 down to the close of 4-3-27 and the 1st accused was shroff throughout this period up to 29-3-27. The 3rd accused was the head Gumasta during this period and would be in charge of the Treasury on occasions when the 2nd accused was either on leave or on other duty.

3. P.W1 is the Amildar of the Mysore Taluk.On 2-3-27 , he received an order exhibit P 69 transferring the 2nd accused to Mandya Taluk. The order required that the 2nd accused should be relieved on 3-3-27 and that he should join his new station before 10-3-27 exhibit P 69(a). P.W1 ordered that the 2nd accused should hand over charge to the Head Gumasta 'tomorrow' after the Treasury was closed.Exhibit P69(b). The 2nd accused on 3-3-27 endorsed on this 'seen' at 3 P.M. Exhibit P 69(c). On 3-3-27P.W1 issued a memo to the Head Gumasta exhibit P 70 to relieve the 2nd accused

that

that evening after the Treasury transactions were over. On 4-3-27 the 2nd accused sent a remittance to the District Treasury to the amount of Rs 62500 exhibit P 58. The 2nd accused has signed the closing balance on 4-3-27 and the 3rd accused has signed the closing balance on 5-3-27. The 2nd accused told P.W1 that he handed over charge on the morning of 5-3-27. The new Sheristedar Sri. Rangaswami Iyengar took charge on 7-3-27. The keys of the Treasury and double lock were not given to P.W1 on the 4th and 5th March 27 and they must have been with the 3rd accused when he took charge from the 2nd accused.

4. P.W4 the new sheristedar ~~kx~~ Mr. Rangaswamiengar has deposed that he took charge ~~of~~ the Treasury from the 3rd accused on 7-3-27. The 3rd accused gave him a ~~kx~~ bag containing double lock keys, Muzrai keys, Shroff's keys and seal at about 12 noon on that day. P.W2 Gollar Hanumanta Rao was doing Shroff's duties on that day as the 1st accused was on leave. P.W4 did not open the double lock box that day and check the contents. P.W4 conducted the transactions that day exhibit P2. A sum of Rs 1600 comprising cash and currency notes were taken out that day from the double lock box. P.W4 took the notes from the tin box used for notes but did not check the balance. P.W4 was incharge on 8-3-27. On 9-3-27 1st accused returned to duty at about 11.30 A.M. and conducted the shroff's ~~xxxx~~ transactions on that day. No amountx was taken out of the double lock but amounts were put into it. When the amount was put in P.W4 checked the double lock balance. 1st accused, P.W2 Gollar Hanumantha Rao, P.W5 Masalchi Javara were present. When checking the balance P.W4 counted the 100 rupee and 50 rupee notes. The 10 rupee and 5 rupee notes were in bundles and kept in a gunni bag. The 1st accused got into the double lock box and emptied the gunni

bag

Charge Sections 221,224,C.P.Code --- Form No.28 Criminal

C.C.No.472 of 26-27

IN THE COURT OF THE CITY MAGISTRATE
Mysore City.

Complainant
Government.

Vs.

Accused
1. Honniah
2. P.N.Venkataraghava Iyengar
3. B.Sreekantiah.

I B.Narainsamiengar Magistrate of the First Class, Mysore City hereby charge you as follows:-

1. That you 2nd accused Venkataraghava Iyengar during the period between 15-6-25 and 28-4-26 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Taluk Sheristedar in charge of the Mysore Taluk Treasury committed Criminal breach of trust in respect of a gross sum of about Rs 5790 out of a sum of Rs 13000 found short in the said Treasury on 29-3-27 and that you thereby committed an offence punishable under Section 409 of the Indian Penal Code and within the cognizance of the court of Session.

2. That you the 1st accused Honnaiya and 3rd accused Srikantai-ya during the period between 15-6-25 and 28-4-26 abetted the commis-ssion of Criminal Breach of Trust under section 409 Indian Penal Code by the 2nd accused Venkataraghava Iyengar at Mysore and this offence was committed in consequence of your abetment and that you thereby committed an offence punishable under sections 109 and 409 of the Indian Penal Code and within the cognizance of the court of Session.

OR

1. That you the 1st accused Honnia during the period between 15-6-25 and 28-4-26 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Shroff Mysore Taluk Treasury committed Criminal Breach of Trust in respect of a Gross sum of about Rs 5790 out of a sum of Rs 13,000 found short in the Mysore Taluk Treasury on 29-3-27 and that you thereby committed an offence punishable under section 409 of the Indian Penal Code, and within the cognizance of the court of Session.

2. That you the said 2nd accused Venkataraghaviengar and the 3rd

3rd accused Srikantaiya during the period between 29-4-26 and 5-3-27 at Mysore abetted the commission of criminal breach of trust under section 409 Indian Penal Code by the 1st accused Honnaiya which was committed in consequence of your abetement and that you thereby committed an offence punishable under sections 109 and 409 of the Indian Penal Code and within the cognizance of the court of Session.

OR

1. That you the said 3rd accused Srikantaiya during the period between 29-4-26 and 5-3-27 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Head Gumasta in charge of the Mysore Taluk Treasury on the several occasions on which you were placed in charge of the said treasury during the said period committed criminal breach of trust in respect of a gross sum of about Rs 5210 out of a sum of Rs 13,000 found short in the said Treasury on 29-3-27 and that you thereby committed an offence punishable under Section 409 of the Indian Penal Code and within the cognizance of the court of Session.

2. That ~~thx~~ you the said 1st accused Honnaiya 2nd accused Venkataraghaviengar during the period between 29-4-26 and 5-3-27 at Mysore abetted the commission of criminal breach of trust under section 409 Indian Penal Code by the 3rd accused Srikantaiya which was committed in ~~xxxx~~ consequence of your abetment and that you thereby committed an offence punishable under sections 109 and 409 of the Indian Penal Code, and within the cognizance of the court of Session.

And I hereby direct that you be tried before the court of Session on the said charges.

Dated the 25th day of November 1927.

Sd/ B. NARAINSAMIENGAR,
City Magistrate, Mysore.

'Copy'

B Narainsamiengar
City Magistrate
Mysore

G.R.S. [III—3]

2604

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

No. cc 472/ Office of the District Magistrate,
Mysore District,
Dated Mysore 9th December 1927.

Rec Registry Asst 12/12

Rec 15-12-27 D 3259 12-12-27

From

A.V. Ramanathan, Esq., B.A.,
District Magistrate, Mysore District.

To

N. Madhava Rao, Esq., B.A., B.L.,
Chief Secretary to the Government
of Mysore, B a n g a l o r e.

Sir,

I have the honour to forward herewith a copy of the Resume in C.C.472/26-27 on the file of the City Magistrate Mysore (Mysore taluk Treasury Defalcation cases) for information.

I have the honour to be,

Sir,

Your most obedient servant,

For District Magistrate,

Mysore District.
(Absent from Head Quarters)

[illegible] the notes must be copied, or slips pasted on this form.

APP. F. VI. Gl.]

SUBJECT..... 203

.....

.....

Section Rm

File No. 15-27

Serial No. 8

No. R 4271

Diary No. of letter replied to.....

To

General and Revenue Secretariat

( )

the 192

.....The Dy. Commr. Mysore Dt.

Sir

Date of issue 2-12-27

I am to refer to your letter No 78/27-28 dt 29th Nov. 27, submitting copies of charges framed against the accused who were committed to the Sessions, and am directed to request you to send a copy of the order of Committal.

Signed by Mr. J. R. Iyer

I have &c.

1/12

Ch/Secy.

List of enclosures.....

Copied by G 2.12.27

Examined by.....

over

WD 01265—GFB—31,000— 24-12-25

Charge Sections 221,224,C.P.Code Form No.28 Criminal

C.C.No.472 of 26-27

401

IN THE COURT OF THE CITY MAGISTRATE,
Mysore City.

Complainant
Government

Vs.

Accused
1. Honnaiya
2. P.N.Venkataraghava Iyengar
3. B.Sreekantiah.

I B.Narainsamiengar Magistrate of the First Class, Mysore City hereby charge you as follows:-

1. That you, the said 2nd accused Venkataraghava Iyengar during the period between 29-4-26 and 5-3-27 at Mysore being entrusted with Government moneys in your capacity as a Public Servant Viz Taluk Sheristedar in charge of the Mysore Taluk Treasury Committed Criminal breach of trust in respect of a gross sum of about Rs 5210 out of a sum of Rs 13,000 found short in the said Treasury on 29-3-27 and that you thereby committed an offence punishable under section 409 of the Indian Penal Code and within the cognizance of the court of Session.

2. That you the 1st accused Honnaiya and the 3rd accused Srikantaiya during the period between 29-4-26 and 5-3-27 abetted the commission of Criminal breach of trust under section 409 Indian Penal Code by the 2nd accused Venkataraghava Iyengar at Mysore and that this offence was committed in consequence of your abetment and that you thereby committed an offence punishable under sections 109 and 409 of the Indian Penal Code and within the cognizance of the court of Session.

OR

1. That you the 1st accused Honnaiya during the period between 29-4-26 and 5-3-27 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Shroff, Mysore Taluk Treasury committed Criminal breach of trust in respect of a gross sum of about Rs 5210 out of a sum of Rs 13,000 found short in the said Treasury on 29-3-27 and that you thereby committed an offence punishable under section 409 of the Indian Penal Code, and within the cognizance of the court of Session.

2. That you the said 2nd accused Venkataraghaviengar and the

3rd

200

3rd accused Srikantaiya at Mysore during the period between 15-6-25 and 28-4-26 abetted the commission of Criminal Breach of Trust under section 409 Indian Penal Code by the 1st accused Honnaiya which was committed in consequence of your abetment and that you thereby committed an offence punishable under sections 109 and 409 of the Indian Penal Code and within the cognizance of the court of Session.

OR

1. That you the said 3rd accused Srikantaiya during the period between 15-6-25 and 28-4-26 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Head Gumasta in charge of the Mysore Taluk Treasury on the several occasions on which you were placed in charge of the said Treasury during the said period committed Criminal Breach of trust in respect of a gross sum of about Rs 3790 out of a sum of Rs 13000 found short in the said Treasury on 29-3-27 and that you thereby committed an offence punishable under Section 409 of the Indian Penal Code and within the cognizance of the court of Session.

2. That you the said 1st accused Honnaiya 2nd accused Venkatarao Veeraraghaviengar at Mysore during the period between 15-6-25 and 28-4-26 abetted the commission of criminal breach of trust under section 409 Indian Penal Code by the 3rd accused Srikantaiya which was committed in consequence of your abetment and that you thereby committed an offence punishable under Sections 109 and 409 of the Indian Penal Code, and within the cognizance of the court of Session.

And I hereby direct that you be tried before the court of Session on the said charges.

Dated the 28th day of November 1927.

Sd/ B. NARAINSAMIENGAR,
City Magistrate, Mysore.

'Copy'

B. Narainsamiengar
City Magistrate
Mysore

Charge	C.C.472 of 26-27
Sections 221,224,C.P.Code	IN THE COURT OF THE CITY MAGISTRATE,
Form No.28 Criminal.	Mysore.

Complainant
Government. Vs. Accused
1.Honniah
2.P.N.Venkataraghava Iyengar
3.B.Sreekantiah.
Mysore City

I B.Narainsawiengar Magistrate of the First Class/hereby charge you the 1st accused Honnaiya and 3rd accused B.Srikantaiya as follows:-

1. That you the 1st accused Honnaiya during the period between 11-3-27 to 29-3-27 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Shroff Mysore Taluk Treasury committed Criminal breach of trust in respect of a gross sum of about Rs 2000 out of a sum of Rs 13000 found short in the said Treasury on 29-3-27 and that you thereby committed an offence punishable under section 409 of the Indian Penal Code and within the cognisance of the court of Session.

2. That you the 3rd accused Srikantaiya during the period ~~during the period~~ between 11-3-27 and 29-3-27 at Mysore abetted the commission of Criminal Breach of trust under section 409 Indian Penal Code by the 1st accused Honnaiya which was committed in consequence of your abetment and that you thereby committed an offence punishable under sections 109 and 409 of the Indian Penal Code and within the cognisance of the court of Session.

OR

1. That you the said 3rd accused Srikantaiya during the period between 11-3-27 and 29-3-27 at Mysore being entrusted with Government moneys in your capacity as a public servant Viz Head Gumastha in charge of the Mysore Taluk Treasury on the several occasions on which you were placed in charge of the said Treasury during the said period committed Criminal breach of trust in respect of a gross sum of about Rs 2000 out of a sum of Rs 13000 found short in the said Taluk Treasury on 29-3-27 and that you thereby committed an offence punishable under section 409 of the Indian Penal Code, and within the cogni[illegible]

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of the court of Session.

2. That you the said 1st accused Hommaiya during the period between 11-3-27 and 29-3-27 at Mysore abetted the commission ~~&~~ of Criminal breach of trust under section 409 Indian Penal Code by the 3rd accused Srikantaiya which was committed in consequence of your abetment and that you thereby committed an offence punishable under Sections 109 and 409 of the Indian Penal Code and within the cognizance.of the court of Session.

And I hereby direct that you be tried before the court of Session on the said charges.

Dated the 25th day of November 1927.

Sd/ B. NARAINSAMIENGAR,
City Magistrate,Mysore.

'Copy'

B. Narainsamiengar
City Magistrate
Mysore

2781/2724

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No.G1-78-28

Office of the District Magistrate,
Mysore District,
Dated Mysore 21st November 27.

D 2773/27

From

A.V. Ramanathan, Esq., B.A.,

District Magistrate, Mysore District.

To

N. Madhava Rao, Esq., B.A., B.L.,

Chief Secretary to the Government

of Mysore, Bangalore.

Sir,

Mysore taluk Treasury Defalcation case before the City Magistrate Mysore - Progress of trial. --

---

In continuation of my letter No.G1-78-27 of the 17th instant regarding the progress of trial in the Mysore Taluk Treasury Defalcation case before the City Magistrate, I have the honour to state that the Public Prosecutor was heard to-day and the case was again posted to the 25th instant for orders.

I have the honour to be,

Sir,

Your most obedient servant,

H.C. Subba Rao

For District Magistrate,

Mysore District.
(Absent from Head Quarters)

CMS.

Submitted for perusal. Papers may be returned when no further report will be awaited.

26/11

26/11

1 Rupee notes and coins aggregating Rs. 7050 were sent retaining 900 x 10 and 1900 x 5. The minimum maintained in the Treasury in Rs. 10 notes rises from 200 in December 1925 to 700 by December 1926. These high balances could never have been maintained, if there was no shortage.

XVII. The Ist accused Honnaiya cashed an R.T.R. Ex.P100 for Rs. 17320-8-0 in the District Treasury on 27-12-1926. The same day the remittance of 21-12-26 had to be tested. The remittance box contained 11700/- worth of currency notes consisting of 17 x 100 Rs. among others. The currency notes in the remittance box, exceping Re. 1 notes, were not tested but they were set off against the amount to be paid to Ist accused towards the R.T.R. and excess of Rs. 5620-8-0 were paid. Of this Rs. 5620-8-0 received by the Ist accused Rs. 1320-8-0 were in coins and rest Rs. 4300 in notes. Rupees 17320-8-0 were credited in the Shroff's register that day. According to the evidence of Hanumantha Rao this sum was brought by the Ist accused by 4 O'Clock on 27-12-1926. The credit of R.T.R. is the last entry that day. Out of 17 x 100 notes not one is credited. Were the all exchanged for cash at the time of closing the Treasury. In the credit entry in lieu of 17 x 100 rupees notes Rs. 4300/- worth of notes brought from the District Treasury and the value of 17 x 100 equals 1700 or a total of Rs. 6000/- are distributed among Rs. 100 and Rs. 5 notes and the credit is made in notes of those denominations. It is very hard to believe this is a case of bona fide exchange of notes.

XVIII. In the above case all the notes of Rs. 100/- have disappeared. A close scrutiny of the various items said to have been defalcated will show that Rs. 100/- notes always disappear. Though very heavy sums are received, and the debits are very little, the Rs. 100 notes taken out are never put back into the double lock. The table given below will show the taken out, the total credits and debits and whether any notes of 100 were put in:-

Urgent

No. G1. 78/27-28.

Office of the District Magistrate
Mysore District.

Dated Mysore, 24th November 1927.

From

A.V. Ramanathan, Esq., B.A.,
District Magistrate, Mysore District.

To

H. Madhava Rao, Esq., B.A., B.L.,

Chief Secretary to the Government
His Highness the Maharaja of Mysore,
Bangalore.

Sir,

Mysore Taluk Treasury Defalcation Case before the City Magistrate, Mysore, - Progress of trial --

---

In continuation of my letter No.G1.78/27 dated the 21st instant, regarding the progress of trial in the Mysore Taluk Treasury Defalcation Case before the City Magistrate, I have the honor to state that the accused were committed to the Sessions on 25th November 1927. Copies of the charges are herewith submitted for the information of the Government.

I have the honor to be,

Sir,

Your most obedient servant,

District Magistrate,
Mysore District.

No. G1. 78/27.

OFFICE OF THE DISTRICT MAGISTRATE,
MYSORE DISTRICT,

Dated, Mysore, 15th November 1927.

From

A.V. Ramanathan, Esq.,B.A.,

District Magistrate, Mysore District.

To

N. Madhava Rao, Esq.,B.A.,B.L.,

Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

SIR, Mysore Taluk Treasury Defalcation Case - progress of trial.

In continuation of my D.O. No.C.C.141/26-27 of the 14th instant regarding the progress of trial in the Mysore Taluk Treasury Defalcation Case, before the City Magistrate, Mysore, I have the honor to state that the case has been further adjourned to the 17th instant, after hearing the Public Prosecutor, today.

I have the honor to be,

Sir,

Your most obedient servant,

District Magistrate,

Mysore District.

A.N.

on which dates the notes in double lock were 265 x 10 and 627 x 5. After the testing till the date of next remittance the number of notes of Rs 5 and Rs 10 in double lock never goes below 400 x 10 and 600 x 5. The minimum number here is 200 x 10 and 575 x 5 or equal to Rs 4875 which is very nearly Rs 5130 shown as defalcated. By the end of December 1926, the total sum defalcated was Rs 9120. The prosecution have not been able to find out other defalcations to the extent of Rs 2500 and odd. In December 1926 there was a defalcation of Rs 2200. By October and November alone 9000/- rupees appear to have been defalcated by studying the minimum of those months. In the remittance of 30-10-1926 there were 700x10, 600 x 5. On thedate of testing 15-11-1926 the number in double lock was 765 x 10 and 500 x 5. After the testing the lowest balance in the double lock in that month was 763 x 10 and 500 x 5. The minimum is 700 x 10 and 500 x 5 or equal to 9500/-. In November there is a transfer of shortage partly to Rs 5 notes. On 29-11-1926 the number invoiced was 800 x 10 and 700 x 5. On the date of testing 9-12-1926 there were 600 x 10 and 700 x 5. After testing in the double lock the minimum number was 600 x 10 and 700 x 5 totalling Rs 9500 the same as in October. There was a deralcation of Rs 500 on 13-12-1926. With that the total sum making calculations on minimum balances comes to Rs 1000/- In the remittance of 21-12-1926 the number invoiced was 600 x 10 and 800 x 5 or equal exactly to Rs 10000/-. This shows very clearly that the defalcation of Rs 500/- on 13-12-1926 which is the subject matter of the charge in the other case must be true in spite of all the criticisms that may be levelled against it. With that defalcation the total sum rose from 9500 to 10,000/-. On 27-12-1926 there was a defalcation of 1700/- (17 x 100) in connection with an R.T.R. which will be referred to later. On 7-1-1927 there was a defalcation of Rs 300 and on 10-1-27 of Rs 1000/-. These three total Rs 3000/-

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Adding this to Rs. 10,000/- shortage based on the calculations of minimum balance the total is Rs. 13000/- which was exactly the amount found short on 29-3-1927. Probably there were no defalcations after 10-1-27. Though the amount defalcated up to September 1926 is shown as Rs. 6420/-, by the prosecution, the minimum balance of August and September show the defalcations were about Rs. 9500/- in those months. The remittances of 29-7-1926 and 31-8-1926 show 600 x 10 and 500 x 5 as the minimum. On account of heavy receipts between January and June it was not perhaps possible to trace the defalcations in that period fully. However it is remarkable how accurately Rs. 10000/- can be arrived at by a study of minimum balances. By end of December 1925, the minimum was 200 x 10 and 675 x 5. Subsequent to it while the minimum in 10 rupee notes gradually rises to 700/- the minimum in 10 rupee notes gradually rises to 700 the minimum in 5 rupee notes remain constant for a time and then goes down to Rs. 500/- by the end of October 1926. By November 1926, the minimum of 700 in Rs. 10 goes down to 600 and Rs. 5 notes rises to 700. There were no untested remittance boxes in January and February 1927. Very high balances in Rs. 10/- and Rs. 5 are retained in the Treasury as shown below:-

12-1-1927	900 x 10 1900 x 5
7-2-1927	1100 x 10 1800 x 5
18-2-1927	1100 x 10 1700 x 5

In the remittances of 12-1-1927 and 7-2-1927 not one note of Rs. 10 or Rs. 5 was sent in spite of such high balances. In the remittance of 18-2-1927, there were only 200 x 10 and 400 x 5 leaving in double lock 1100 x 10 and 1700 x 5. After the remittance of 4-3-27, the balance left in double lock was 1000 x 10 and 1005 x 5. Ex. P54 was an order to send all surplus cash immediately. On 12-1-27

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shortage was Rs. 8 which had occurred up to 31-12-25 in 10 and 5 Rs notes, must have been in the double lock box itself because there are no notes of 10 and 5 Rs in the invoice. On that day i.e. 29th he has taken out notes of 5 Rs and 10 Rs for transactions. The balance after taken out on 29th was 300 in 10 Rs notes and 200 in 5 Rs notes of which 200 notes of 10 Rs and 800 notes of 5 Rs were short at the end of 1925, as already referred to. On the 1st and 2nd February 1926, the 3rd accused was in charge and he has taken out notes of the denominations of 5, 10, 100 Rs for transactions on the 1st February 26. On some days during 1926 when the shortage was in the double lock box, the 3rd accused was in charge of the Treasury. On 14-3-27 the opening balance was 1090 in 10 Rs notes and 1293 in 5 Rs notes, sufficient to recoup the shortage of 800 notes of 10 Rs and 1000 notes of 5 Rs in the remittance of 4-3-27. Between 14-3-27 and 28-3-27, the balance in the notes of these denominations was above 1090 and 1293 respectively which was enought to cover the shortage in the double lock box.

No cross examination.

Read and Admitted correct.

sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
25-6-1927.

'Copy'

G. Narayana Rao
City Magistrate,
Mysore.

Rupees 100, 10 and 5, were by far insufficient to recoup the shortage in the remittance of 21st. The balance retained afterremittance is also unusually low. On 22-12-26, the receipts were ₹ 812-8-3 consisting of 15 items. There were only 3 payments aggregating to ₹ 44-3-6. On the 23rd there were 34 items of receipts totalling to ₹ 2931-5-1x and 5 items of payments aggregating to ₹ 839-[illegible]-6. So these two days were not days of heavy transactions. On the 27th also, there were 24 receipts including the item of R.T.R. Excluding the R.T.R. The total receipts will be ₹ 2985-10-0 and there were 12 items of payments totalling to ₹ 608-13-11 Gollar Hanumantha Rao conducted the transactions this day. In Exhibit P 34(b) the District Treasury Officer, Mr. Basava-raja Urs directed that the 1st accused should attend the District Treasury from 22-12-26 onwards until the whole remittance is shroffed. In Exhibit P 34(a) which is a submission note put by 2nd accused on 21st December 1926 he has pleaded inabilityto send the 1st accused to the District Treasury on the 27th and 31st December 1926. The R.T.R. was submitted on 21-12-26 with Exhibit P70 and it was got back signed by the Deputy Commissioner on 22-12-26. The R.T.R. Exhibit P100 also bears the date. It was received in the Taluk office on 23-12-26. The R.T.R. is dated 12th November 1926. It was first receipted by the personal Assistant on 8-12-26. This entry is scored out and it was resubmitted to the Deputy Commissioner on 21-12-26.Exhibit P99. On 29-1-26 the 3rd accused has sent a remittance of ₹ 11300 consisting of 10 notes of 100 and the rest rupees and small coins. The Invoice is signed by the 3rd accused. Exhibit P 113 is the Invoice. It was shroffed on 30-1-26 Exhibit P 114.The 3rd accused was in charge of the Treasury from 25-1-26 to 30-1-26. After remittance, he has retained in the Treasury a balance of ₹ 8600 in notes and 5000 whole rupees. The

shortage

G.R.S. III—31

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

C.C 14/ 26.27.

V. RAMANATHAN.
DEPUTY COMMISSIONER.

MYSORE,
14th November 1927.

Dear Mr. Madhava Rao,

With reference to your D.O. No. R. 3432 dated 12th November 1927 enquiring whether the Mysore Taluk Treasury Defalcation Case has been Committed to Sessions, I write to state that the Case which was for hearing this day has been adjourned to tomorrow for orders in the City Magistrate's Court. Immediately the Magistrate passes orders in the matter, I shall send further report to Government.

Yours sincerely,

V. Ramanathan

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form

[illegible] VI (G)

SUBJECT.....

.....

.....

Section Rev

File No. 15-27

Serial No. 5

No. R 3432

[illegible] of letter replied to.....

General and Revenue Secretariat

( )

the 192

To

Dear Sir,

I am desired [illegible]

enquire whether the [illegible]

Taluk Treasury Def[illegible]

case has been [illegible]

be communicated to [illegible]

Date of issue 14-11-27

Signed by M. J. K. S. [illegible]

[illegible] enclosures.....

1 file

Copied by G

Examined by .....

to the District Treasury keeping a balance of 20005 in notes and a total balance of ₹ 25141. The next remittance sent was on 4-3-27. The opening balance that dayw was 59335 in notes and the total balance in double lock was ₹ 61896. The total remittance sent in notes was 49550 Exhibit P 58. The balance retained after remttance was 1000 in 10s notes and 1005 in 5s notes. The total balance retained in notes was ₹ 15785. In this collection season, there was no necessity for retaining this high balance especially in 5 and 10 notes which were sparingly used for payments. These notes of 5 and 10 were coming in in large numbers in February and March. A comparison of the balances maintained in 1926 and 1925 shows that balance retained in 1927 in corresponding months was unusually high. The balances maintained in notes of 5 and 10s from January 1927 to 4-3-27 were above 900 in 10s and above 1000 in 5s even after remittance. The balance left after remittance on 4-3-27 in notes of 5 and 10 was also quite sufficient to recoup the shortage of 800 notes of 10 and 1000 notes of 5s the loss of which was discovered on 20-4-27.

Further Examination in chief adjourned to tomorrow.

Read and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
24-6-1927.

25-6-27.

Recalled for Further Examination in chief and duly affirmed. On 21-12-1926, the balance in the double lock after sending the remittance was 1 note of 100 ₹, 2 of 50s, 44 of 10s, 73 of 5s, aggregating to ₹ 1005 in notes and 1300 whole rupees. The total balance was ₹ 2805. On the 22nd there was an addition of 200 ₹ in notes and 262 ₹ in whole rupees and small coins. On the 23rd, there was an addition of 2405 in notes and 4008 ₹ in coins. So the total balance on 23-12-26 was ₹ 9175 including 2 notes of 100s, 2 of 50s, 203 of 10s and 165 of 5s. There were no transactions from 24th to 26th. The opening balance on 27-12-26 in notes of

Rupees

have been got out of the days collections. Looking at the details of the receipts on that day Exhibit P78(a) - there is scope for the collection of 7 notes of 100[R] on that day. But the No of 100[R] put in that day was 17. So 10 notes of 100 must be false. In the Invoice sent on 21-12-26, 17 notes of 100 are shown as having been sent Exhibit P 32. The same entry shows that all the notes had been put in in box No 1 along with 1000[R] worth of 2anna nickel coins. My investigation of the accounts, and on questioning the Head shroff of the District Treasury, has shown that on 27-12-26, this box No 1 with all the notes of 100, 10 and 5 [R] - minus one rupee notes and nickel coin was brought back to the Taluk Treasury when the R.T.R. for [R] 17020-8-0 was cashed in the Treasury on that day Exhibit P 78(e) which is the shroff's Receipt book, shows that the R.T.R. amount was entered last in the transactions of the day. On that day 3000 whole rupees had been taken out for transactions. The total payment on that day was only [R] 2008-13-11 - So there was necessity to use any part of the R.T.R. amount for this purpose. So that was brought from the District Treasury after cashing the R.T.R. must have been available for putting in in the double lock on that day. But the put in entry shows no notes of 100 [R]. This clearly shows that there were no notes of 100 [R] for beingput in on 20-12-26 and for being sent with the remittance on 21-12-26. As against the disappearance of [R] 1700 shown in the invoice in 100[R] notes in the put in entry of 27-12-26, the figures under 10 [R] notes are inflated. Exhibit P 32 shows in addition to 17 notes of 100 [R], 600 notes of 10 [R] and 800 notes of 5 [R]. On 22-12-26, the District Treasury officer has checked the Taluk Treasury balance after the remittance was sent and has certified to the correctness of the opening balance on that date - The opening balance shows 131 notes of [R] 186 of 10 [R] - which are far too unsufficient to cover

[illegible]

187

shortages of 600 and 700 in 10 ₹ and ₹⁵ notes already traced. Therefore the shortage must have been in the remittance sent to the District Treasury. So as there are only 600 notes of 10 ₹ shown in the invoice, the remittance box could not have contained any notes of 10⁰. In 5 ₹ notes there are 800 shown in the invoice. The remittance box could not have contained more than 100 notes of 5 ₹. So there must have been ₹ 11200 worth of notes out of the whole amount of ₹ 11700 of notes, short in the remittance Exhibit P 79(b) shows the figures 9000, 7000, and 100 with a dash ₹ 320-8-0. If we take 100 - as 1000 - this would give the exact amount of the R.T.R. - 17320-8-0. The double lock Register in the put in entry against date 27-12-26 shows - 9000 ₹ in 10² notes, 7000 ₹ in 5 ₹ notes and nothing more under notes - Therefore the balance of ₹ 1320 - must be in Rupees, my calculation shows that the balance of 1320 whole rupees got in the R.T.R. is included in 3820 whole rupees put in that day. Under 10² and 5⁵ notes, the figures must have beeninflated to the extent of ₹ 11200. Exhibit P79(c) refers to 27-12-26. In Exhibit P 79(d) which is the entry for 31-12-26, there are calculations made both by the 1st and 2nd accused and the 2nd accused has a initialled the entry. The calculations for the whole year have been made and the balance remaining on 31-12-26 under the various denominations of notes, coins and species are detailed. By the close of 31-12-26, the shortage in notes will be ₹ 11200, and they must be in notes of 5 ₹ and 10 ₹ only after 27-12-27. On 7-1-27 there were 4 notes of 100 ₹t taken out from the double lock Exhibit P2(C1) but the details in the payment register (Exhibit P 78 1) shows only one item of payment of above 100 ₹. So only 1 note of 100 ₹ could have been used - the remaining 3 notes of 100 ₹ have at least disappeared. As against the debit of 400 ₹ in 100 ₹ notes, there is a credit of 450 in 10 and

5 ₹

5s notes in the put in entry. On 9 10-1-27 191 notes of 10 or 1910 s are taken out from the double lock Exhibit P78(j) The total receipts of the day was s 2130-7-7 - the decrease in single lock was s 107-4-5 - The total is s 2242-12-0 no whole rupees and small coin has been taken out from double lock that day - 750 whole rupees and small and uncurrent coin to the extent of s 961 or a total of s 1921 are put in - These must be out of the days collections and what was taken out of the single lock deducting this the balance out of receipts would be s 961. No notes of 5s are taken out from double lock that day, but 200 notes of 5 or s 1000 are put in. s 1000 could not have been collected in the days receipts. The total payment was 711-12-0. Exhibit P78(j) out of 191 - notes of 10s taken out 113 are put in and 70 has been used up The details in the payment Register shows that 68 notes of 10s could have been used. So it could not be a correct account and there must have been manipulations on this date also. On 12-1-27, the opening balance was s 19510 in notes and the total balance was s 31100- Exhibit P2(k) Inspite of this high balance in notes, 25 notes of 1 0s - only have been sent to the District Treasury in the Remittance. The total of the Remittance was s 7530 consisting of all small coins and 26 whole rupees - Exhibit P 55. So the shortage of 5 and 10s notes could not have been kept in this remittance. The balance in notes of 5 and 10 s and after taken out from double lock that day was 900 in 10s and 1000 in 5s. The next remittance sent was on 7-2-27 - Exhibit P 56 is the voice. On that day the opening balance was s 23530 in notes, and the total in double lock box was s 36250. The amount of remittance sent was 10000 consisting of 512 whole rupees and the rest, small coins. No notes were sent. The next remittance was on 18-2-27 Exhibit P57. The opening balance on that day was s 44075 in notes and the total balance in double lock s 51501 - out of this only 23000 s worth of notes and 2500 whole rupees were sent to

sent and the balance after remittance was 299. On 27-7-26 when this remittance was tested the balance was 921. On 29-7-26 when this remittance was tested in the remittance sent there were 940 notes of 5 ₹ and on 18-8-26 when this remittance was tested there were 542 notes of ₹ in the double lock box. Between 18-8-26 and 31-8-26 when there were no remittances pending in the District Treasury, the balance in ₹ notes is above 542 in the double lock box - In the remittance sent on 31-8-26 500 notes of ₹ were sent and the balance of such notes remaining in the double lock box was 100 - After it reached 510, the remittance was tested on 9-9-26. On 8-9-26 and 7-9-26, by the conversion of e rupees into notes, the balance of ₹ notes is raised. on 9-9-26 and 29-9-26 when there were no remittances g in the District Treasury, the balance in the double ck box never goes below 500 in ₹ notes. On 29-9-26 - 00 notes of ₹ are sent in the remittance when this remittance is tested on 25-10-26, the balance in ₹ notes in the double lock box was 840. Between 25-10-26 and 30-10-26, the lowest balance reached was 725 on 30-10-26 - 600 notes of ₹ were sent in the remittance and 299 was the balance after remittance. On 13-11-26 when the balance of 5 ₹ notes in double lock box reached 500, the remittance is tested On 11-11-26 and 12-11-26 by the conversion of whole rupees, into notes, this balance in ₹ notes is reached. Between 13-11-26 and 29-11-26 when there were no remittances pending in the District Treasury untested, the lowest balance reached in the double lock box in ₹ notes is 500 and this 500 continues from 24th to 26th November 1926. So it will be s and until 500 notes of ₹ are collected, the not ted - 500 notes of ₹ will therefore in the ble lock up to 29-11-26. In all s referred between 15-12-25 and 20-11-26 ready there always more than 500 of 5 ₹ notes

Exhibit P 20 is the Invoice relating to the Remittance on 31-8-26. This shows 700 notes of 10 ₹ and 500 notes 5 ₹ and 10 notes of 100 ₹. On 6-9-26 - The opening balance in notes was 15 of 100, 1 of 50 ₹ 216 of 10 ₹, and on that day 3 notes of 100 ₹ and 2300 whole rupees out. Exhibit P2(y) is the entry in Double lock Register The total payment on that day was ₹ 532-15-0. Out of there is only one item above 100 ₹. Therefore there need for the use of 1 note of 100 ₹ and not all the 3 taken out. The entry in Jamakharch Register is Exhibit on 6-9-26. But none of these notes of 100 ₹ have been put in and have disappeared. Out of 2300 ₹, there was need only for ₹ 532 for payments assuming that no note of 100 ₹ was used. This would give a balance of 1768 whole rupees. But only 380 whole rupees have beenx put back. Therefore 1388 whole rupees at leust have disappeared. The total receipts on that day was ₹ 772-15-6. Decrease in ngle lock ₹ 132-15-0. The total of these two would be ₹ 912- Out of this, 250 Rupees of small coins are put in. The 916 the balance of ₹ 662 will be available and the maximum numbe of notes of 5 and 10 ₹ that could be got would be of the val of 660 ₹ The total of the whole rupees available for puttin in should have been ₹ 2050- Adding the value of 3 notes of 100 - The total would be ₹ 2350- 200 notes of 10 ₹ and 70 not of 5 ₹ totalling to 2350 ₹ are pu in. Such numbe could not have been got out of the day's collecti this conversion the balance of notes of 5 and 10 402 and 416 respectively. On 7-9-26 - 2380 wh are taken out. 1130 ₹ are put in at the close o transactions and this gives a balance of ₹ 1250 wh Exhibit P2(z). The total payment that day was ₹ 4 Assuming the payment to be in whole Rupees only the a balance of ₹ 1201 in whole rupees. This has disap The total receipts of that day was ₹ 1105-11-2.

P 26 Invoice dated 29-11-26. The currency notes of this remittance were shroffed on 9-12-26, which is the date of the final shroffing of this remittance. I see Exhibit P. 33 Invoice dated 21-12-26. The currency notes of this Invoice were shroffed on 27-12-26, which is the date of final shroffing of this remittance. I see Exhibit P 59 Invoice dated 4-3-1927. The currency notes of this Remittance were shroffed on 14-3-1927 which is also the date of the final shroffing of this remittance. I have ticked off in the Invoices the different items therein, showing that I have checked them. We send remittances to the Taluk cutchery when the Amildar reports to the Treasury Officer for such remittance. We send the remittance by an Invoice giving details of the remittance. 3 copies of Invoices are prepared and sent. I see Exhibit P 95. It is the counterfoil (Office copy) of the Invoice dated 31-12-25 under which Rs 6000 were sent to the Mysore Taluk Treasury. The 6000 consisted of 20 - 100 Rs notes, 200-10 Rupees notes, and 400 - 5 Rupees notes. I see Exhibit P 96 Office copy of Invoice dated 18-8-26. Under this 7000 Rs consisting of 6000 whole rupees, and 10 - 100 Rupees notes, were sent to the Mysore Taluk Treasury. I see Exhibit P 97 - Office copy of Invoice dated 10-11-26 under which 6000 Rs in whole rupees were remitted to the Mysore Taluk Treasury. I see Exhibit P 98 - Office copy of Invoice dated 30-11-25 under which 8000 Rs consisting of 7000 whole rupees and 10 100 rupees notes, were remitted to Mysore Taluk District Treasury. The Treasurer looks only the bundles in the Irsal boxes and not the details before sending the boxes to me for checking. No record is kept to show that the Treasurer checks such bundles. Further examination-in-chief reserved as court time is over.

Interpretted and admitted correct.
Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
10-6-1927.

Cor
City Magistrate

Further Examination-in-Chief by Prosecuting Inspector.

I will be present when the Treasurer checks the boxes outside the Treasury room and I will not be present when he checks Irsal boxes inside the Treasury room.

Further Examination-in-chief reserved as time is over.

Interpretted and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
10-6-1927.

Recalled for further Examination-in-chief and solemnly affirmed -

The whole amount of a remittance is credited in the accounts on the same day the Irsal or remittance is received in the District Treasury. The amount is credited in the accounts on the Invoice and not after checking. On 30-10-26, a remittance of Rs 20000 was sent from Mysore Taluk. The same day the whole amount is credited in the accounts. The amount was checked on three days Viz 5-11-26, 11-11-26 and 13-11-26. Exhibit P 99 is the Jema Book and Exhibit P 99(a) is the entry dated 30-10-26. Exhibit P 99(b) is the entry relating to the credit of Rs 20100 from Mysore Taluk on 29-11-26. This was shroffed on 3 days, Viz on 3-12-26, 4-12-26 and 9-12-26. Exhibit P 99(c) is the entry relating the remittance of 21-12-26 from Mysore Taluk Treasury, amounting to Rs 17650. This was shroffed on 22-12-26, 23-12-26 and 27-12-26. I see Exhibit P 100 - P.T.R. for Rs 17320-8-0 from Seringapatam Taluk Amildar to the Amildar, Mysore Taluk being Tasdik grant of Sri Parakalaswami Mutt. This is dated 12-11-1926. This P.T.R. has been receipted for payment by the Deputy Commissioner on 22-12-26. Exhibit P 100(a) is the signature of the Deputy Commissioner. This was paid on 27-12-1926. I have affixed the Treasury paid seal. The same day i.e. on 27-12-26 the Mysore Taluk Treasury remittance of 21-12-26, was finally shroffed.

On

On 27-12-26, the total amount shroffed was 12707 Rs consisting of Rs 11707 of notes and 2 anna nickel for 1000 Rs. This amount was in box No 1 of the remittance. The 1st accused Honniah had brought the R.T.R. That day voucher No1 is the amount of the R.T.R. entered in the Khirch Book Exhibit P 101. 1st accused Honniah has signed this entry - Exhibit P 101(a) and taken the money. Exhibit P 102 is the Katcha book kept by me for checking the totals. In this also the first item on 27-12-26 is the R.T.R. for Rs 17320-8-0. The entry in this book is Exhibit P 102(a). That day the two shroffs under me were absent from the Treasury so I had to attend to both Jama and Kharchu that day. That 1st accused Honnaiya brought box No1 of the remittance and also the R.T.R. I had to pay him Rs 17320-8-0 on the first voucher I checked the 1000 Rs - 2 annas nickel and seven one rupee notes of the remittance The 1st accused took these out from the box and gave me and I checked them and took them. The 1st accused Honniah then said to me that as he had already Rs 11700 with him of the remittance amount the balance after deducting this, to make up the amount of the R.T.R. Viz 17320-8-0 may be paid to him. As desired by him I deducted 11700 Rs out of the R.T.R. amount and paid him the balance Viz Rs 5620-8-0 I did not see the contents of the Remittance -> Box No. 1 nor what was inside the box. In Exhibit P 23 the Invoice of 21-12-26, there were mentioned that in Box No. 1 therex were 17-100 Rs notes, 600 - 10 Rs notes, 800 - 5 Rs notes, and 7 one rupee notes and 2 annas nickel coins of the value of 1000 Rs. I have ticked only 2 items of the contents of this box Viz 2 annas nickel coins of 1000 Rs and 7 - one rupee notes. I have not ticked the notes of the other denominations as I did not check and take these items said to be in the box but paid off the balance to make up the total, amount of the R.T.R. as stated above. I would have ticked the other 4 items

of

of notes if I had taken them from the box and checked them. The 1st accused took away the Remittance box. That day I had very heavy work as I had to attend to all transactions alone. In The Mysore Taluk Treasury were sending Remittances at the end of the month. Orders have been issued from the office from time to time that Remittances should not be sent at the end of the month.

No Cross Examination.

Interpretted and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
13-6-1927.

'Copy'

Sd/

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of Boraiya. 13th witness for prosecution.

Father's name Subdder Hutchaiya

Age 50

Caste Gangadikar.

Occupation Contractor.

Residence Nazarbad, Mysore City.

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I know 1st accused Honnaiya. I have taken a loan of 500 Rs from 1st accused. I took the loan on 8-5-1926. There is no bond for this. I have entered this in my account book. Exhibit P 82 is the entry for 500 Rs. This account book is my shop account book. Subsequently about a month afterwards I took another loan of 100 Rs from 1st accused. There is no bond for this. It is also [illegible]. About 2½ month's ago I took another 30 Rs. I have thus taken Rs 630/- in all from 1st accused as loan. 130 Rs was for my private use and does not find a place in the account book. The interest on this amount is 16 per cent. This is settled by word of mouth. I have not paid any interest.

No Cross Examination.

Interpretted and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
25-5-1927.

"Copy"

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of Manchaiya. 14th witness for prosecution

Father's name Kalaninga.

Age 35

Caste Bestar.

Occupation. Servant in the Government House.

Residence Nazarbad, Mysore City

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I produced 140 Rs before the Police Inspector. I produced 10 - 10 Rupees notes and 7 - 5 Rupees notes and 5 Rs in coins - The 1st accused had given this amount to me one evening saying that he would go to [illegible] taking 5 days casual leave. He gave me 10 - 10 Rupees notes and 8 - 5 Rs notes. I changed 1 - 5 Rupee note and spent 1 Rupee out of this. I made up this gave the amount as above to the Inspector. 1st accused gave me the above money 4 or 5 days before I produced the same before the Inspector. The 1st accused gave me the money saying [illegible] He gave the key of his house also that day and asked me to take care of his house. The 1st accused did not come back to his house. He was arrested by Taluk Police. The Inspector asked me to bring any papers that may be in 1st accused's house. I said that I did not know how to read and write. He sent a man with me. I took and placed the box before the man and he took out the papers. Honnaiya was then in the Police station.

No Cross Examination.

Interpretted and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
25-5-1927.

'Copy'

G. Narayana Rao
City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT M Y S O R E.

Case No. 472 of 1926-1927.

Deposition of Kalaiva. 15th witness for prosecution.

Father's name Appajaiya.

Age 27 years.

Caste Gangadikargowda.

Occupation Garekelsa.

Residence Nazarbad, Mysore City.

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I know shroff Honnaiya. His house is in the same street as mine. He has lent me 130 Rs He lent me last Mahanavami. It was 8 days before the Mahanavami he lent me. I have not executed any bond for this amount. I have been dealing with him like this for 10 or 12 years. No bond used to be executed. I have paid 5 Rs to 1st accused. I produced 125 Rs to Police Inspector. I have paid no interest for the amount. I have to pay interest.

No Cross Examination.

Interpreted and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
25-5-1927.

'Copy'

G. Narayana Rao

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE

Case No. 472 of 1926-27.

Deposition of	Mr. Peermachar	28th witness for
Father's name	Rangavittalachar.	prosecution.
Age	38 years.	
Caste	Madhva Brahmin.	
Occupation	Police Inspector.	
Residence	Mysore.	

On solemn affirmation.

By the Public Prosecutor.

On 29-3-27 at about 4-15 P.M. a letter was received by the Assistant Superintendent of Police from the Amildar, Mysore Taluk. Exhibit P 74 is the letter. This letter was forwarded to me for investigation. I took the case on file and submitted the F.I.R. I at once went to the Taluk Treasury. The Amildar and the Sub Division Officer Mr. Abdul Khader were counting the money in the Treasury. I inspected the Treasury strong room. I saw the place where the double lock box is kept. The double lock box is about 8'X 4'X8½' in dimension. The double lock box is kept in the strong room in the Eastern corner thereof. The double lock box is not visible for a man who stands outside the Treasury room. The Sheristedar's seat is not in front of the strong room but is in a separate Hall. The nagadi Gumasta and Gollar sit outside the Treasury room in front of the door of the Treasury room but they cannot see what takes place inside the strong room. The strong room is about 12' X 8'. I noted these things. The 1st accused was there. I examined the Amildar and the new Sheristedar Rangaswamigar. I questioned the 1st accused and he did not give me proper replies. I was there till 10 0'clock in the night. The Amildar and the Sub Division Officer were also there till about 10 0'clock. I arrested the 1st accused. The same day I sent Sub Inspector Esvara to Mandya to make enquiries as the 1st accused is a native of that place and he said that he had gone there on 27th and 28th. The 1st accused had a coat, a [illegible] turban with a shirt inside. [illegible]

he had put on that day. I also arranged for watch on the movements of officials working in the Taluk Treasury On the 30th I examined one Mancha and searched the house of the 1st accused. During the search I found Exhibit P 119 pronote for 50R. I seized it. Mancha P.W14 produced 140 R saying that 1st accused had give him that sum. I have produced the amount in court with the charge sheet Article 6 is the 140R produced consisting of 135 R worth of 5 and 10R notes and R cash. I Examined Gollar Hanumantha Rao and Mashalchi Jevara on 30th. On 31st I examined Thotadappa P.W 24. I was collecting information. On 2nd April I examined the 3rd accused, Sreekantiah and Gollar Venkatesiah. On the 3rd, I examined the 1st accused again. On information furnished by him I examined Seriah P.W13, Kaliah, P.W15 and also Bettiah's wife, Bettiah being absent. On the 4th I was otherwise engaged On the 5th I examined the new Sheristedar Rangasamiengar and the 2nd accused and his son Ramaswamiengar. The new Sheristedar told me that he had made a mistake in giving the dates on which the ~~xx~~ 1st accused had gone on leave and he desired to correct the dates. So I again examined him. The 2nd accused showed me the sale deed Exhibit P 107 and Exhibit P 108 and other papers. I returned these to him. On 6th I was otherwise engaged. On 7th I examined the 1st accused. On information furnished by him I searched the house of the 2nd accused in Mysore and arranged for a watch being kept over his house at Mandya and got the house ~~at Mandya~~ sealed as nobody lived there. His family members were living in Mysore then. I again examined the 2nd accused as I thought that certain explanations were necessary. On the 8th, I confronted the 1st accused with the new sheristedar and the 2nd accused. I found the necessity to reexamine Hanumantha Rao and Jevara P.W24 and P.W5. I examined Mr. Khalil, Revenue Probationer also On 9th I was engaged otherwise. On the 10th I arrested

the

the 2nd accused. On the 11th I sent the 2nd accused to Mandya with Sub Inspector in order to search his house in his presence. I sent him with Sub Inspector Abdul Khalak. On the following evening i.e. on 12th evening he produced these two documents Exhibit P 109 and Exhibit P 112 as having been found in 2nd accused's house during the search. The Mandya Taluk Inspector searched the house. Exhibit P 109 is signed by 2nd accused and dated 2-4-27 Sreenivasa and Ramaswami referred to in the letter are the sons of 2nd accused, Sub Inspector Abdul Khalak gave me the 2 letters. A mahazar has been drawn up for the search. This was also received by me. On the 11th I examined certain persons who are not witnesses in the case. I received (recovered) Exhibit P 105 S.B. Pass Book from Ramaswamiengar, son of 2nd accused. I also recovered Exhibits P 107 and P 108 and Rs 250 from Ramaswamiengar - This amount of Rs 250/- was seen to have been withdrawn that day from the Savings Bank Account. I have produced the 250 Rs to court. Article 7 is the 250 Rs. On the 12th I examined Thimmiah P.W10 and some other witnesses. On 13th I examined Nagadi Gumasta Srinivasa Rao. I questioned 1st accused regarding certain accounts. Mr. D.Seshagiri Rao C.I.D. Inspector P.W19 came to cooperate with me in the investigation of this case on the 7th. He (Commenced) conceived himself with checking the accounts and left me to investigate the General aspect of the case. When I went to search 1st accused's house on the 30th March - The house was locked and the key was with Manchiah P.W14. On the 8th Manchiah produced some papers which I had seen and left on 30th ult in 1st accused's house, thinking they were not necessary. I took Exhibit P 89 and some other papers which Manchiah produced from 1st accused's house. Manchiah also produced a post card dated 24-2-27 addressed to 1st accused Exhibit P 121. It is a reply card and the address is in 1st accused's handwriting.

It

It is in answer to a card written by 1st accused to Boriah at Nagamangala - Exhibit P 122 is the 1st accused's card. Boriah is the relation of Bettiah P.W23. Exhibit P 122 is dated 15-3-27, and the reply thereto is dated 24-3-27 - On 14th I examined P.W16 Head shroff Krishnamachar Gellar Hanumantha Rao, Muzrai Gumastha Nagabhushana Rao, P.W6 and Bettiah P.W23. Bettiah produced Exhibit P 118 account book. 1st accused was living in Nazarabad Kamatigere Bettiah was also living there Honniah has got a son Thimmiah aged about 10 years. I showed Exhibit P 116 to Bettiah the same day. I learnt from Bettiah that this was written by 1st accused to evidence the settlement of accounts between Bettiah and 1st accused. On 14th April preliminary charge sheet was given. On 15th I was otherwise engaged. On 16th I examined P.W7 Govindaraja Chetty and he produced Exhibit P 90. I again examined the 2nd accused and there after again examined Hanumantha Rao P.W2 and Jevara P.W5 for verifying what he had stated. On 16th I also examined some other witnesses who are not examined here. On 16th Kaliah produced ₹ 125 - On the date of his first examination on the 3rd he had made mention of his having borrowed 130 ₹ from accused of which he had returned five rupees. I asked him to produce the amount borrowed from 1st accused and he produced 125₹ to me. Article 8 is the money produced by him. On 17th I arrested 3rd accused and searched his house. On 18th I examined Mr. Karve Executive Engineer, in order to verify the statement of 2nd accused in regard to the heavy balance kept in the Treasury in the months of February and March after remittance was sent. I learnt that his explanation was not correct. I was engaged in scrutinizing the Registers. On the 19th I examined Mr. Sellum Iyengar the Palace Veterinary Surgeon P.W8. On 20th the 2nd accused's house was again searched. His family were living in it. I found the diary Exhibit P 126. This

is

is a diary for 1927. The 1st entry in this diary begins from 28th February 1927. It is written up to 1st April, 1927. The entries are in 2nd accused's handwriting. On 21st I examined some bar sepoys. On 22nd I was in Mysore A.S.P's Office. Mr. Mallappa, the French Rocks D.S.P. had also come there. When I was there Mr. Mallappa received a Tamil card Exhibit P 124 in an unpaidcover. This card is addressed to 2nd accused and bears the Krishnagiri stamp. The letter is dated 9-3-26. It is written by one K.Narasimhachar who has signed in English. Mr. Mallappa took delivery of the unpaid letter and gave Exhibit P 124to me on 22nd. I caused enquiries to be made about the writer of the card. I learnt that ----- K.Narasimhachar was the mittadar of Pannampalli the native place of 2nd accused. The matter had been referred to the C.I.D. Inspector. It is learnt that the person could not be found. On 22nd I examined Venkatramanajetti P.W 26 and Jevaregowda P.W27 and also I again examined Nagadi Gumasta and Hanumantha Rao P.W2 about the handwriting of the accused persons in the several Registers and documents in the Treasury - On 24th I was engaged in scrutinising accounts. On 25th I examined the Amildar Mr. Rajagopala-Achar with reference to the accounts and placed the final charge sheet. The Treasury accounts show the dates on which the 3rd accused was in charge of the Taluk Treasury as Sheristedar. He was in charge on the following dates, 27-6-25, 14th to 18th -7-25 both days inclusive, 28-7-25, 12-8-25, 18-9-25, 4-1-26, 19-1-26, 25-1-26 to 2-2-26 both inclusive, 10-3-26, 13-4-26, 10-6-26 to 14-6-26 both days inclusive, 16-7-26, 19-7-26, 24-8-26, 26-8-26, 28-8-26, 13-9-26 to 15-9-26 both days inclusive, 3-11-26, 3-12-26 to 17-12-26 both days inclusive, 6-1-27, 8-1-27, 18-1-27 26-1-27, 15-2-27, 17-2-27, 5-3-27, 11-3-27, 14-3-27 and 22-3-27. Exhibit P 120 was received from the District Treasury along with 2 other Invoices Exhibit P 125 and

Exhibit

Exhibit P 126 dated 30-7-25 and 12-1-27.

No Cross Examination.

Read and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
-7-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 26-27.

Deposition of Javaregowda 27th witness for prosecution.
Father's name Kamari
Age 45 years
Caste Bester.
Occupation Agriculture.
Residence Ramanahalli, Mysore Tq.
By the ~~Prosecuting Inspector~~ Public Prosecutor On solemn affirmation.

I have seen the 2nd accused. He was Taluk Sheristedar of Mysore. Myself and my deceased brother's minor son represented by his mother, have sold a dry land for, 200Rs to the 2nd accused's 2nd son Sreenivasiengar on 10-6-1925. I got 100 Rs on the day I got the bond, written. The bond was registered in Seringapatam, but written in Mysore. I get the balance of ~~XXXX~~ 100 Rs at Seringapatam at the time of registration. The 2nd accused paid 100Rs at the time the bond was written and his son paid the money in the Sub Registrar's Office. I am illiterate. I hear Exhibit P 108 read. This is the document I executed in favor of the 2nd accused's son.

No Cross Examination.

Interpretted and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
5-7-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of Mr. G.Rudrappa 26th witness for prosecution.
Father's name
Age
Caste
Occupation City Magistrate, Bangalore.
Residence Bangalore.

On Solemn Affirmation.

By the Public Prosecutor.

In 1925 I was the District Treasury Officer in Mysore. On 17-6-1925 I inspected the Mysore Taluk Treasury. On 16-6-1925 there was an Invoice Exhibit P 3 received from the Mysore Taluk sending remittance Exhibit P3 is the Invoice returned to the Taluk Cutchery in evidence of the boxes having been received. Exhibit P 120 is the other copy of the Invoice filed in the District Treasury and I have initialled both. By reference to this Exhibit P 120 I find the remittance was finally tested on 4-7-25 Exhibit P 120(a) is the shara of the Head shroff written in his own hand. He has put '6' instead of '7' for the month when I inspected the Taluk Treasury on 17-6-25. The remittance of 16-6-25 was pending checking in the District Treasury. On 17-6-25 I have recorded on Exhibit P1(u) that the balance was examined and found correct. Before I inspected, I used to send previous intimation of the date of inspection of the treasury to the Taluk Cutchery.

No Cross Examination.

Read and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
4-7-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of Venkataramanajetty. 25th witness for prosecution.
Father's name Chennajettappa.
Age 72 years.
Caste Jetti.
Occupation [illegible]
Residence Sreeramapet, Mysore City

On solemn affirmation.

By Mr. M.S. Rangachar Prosecuting Inspector of Police.

I know the 2nd accused. I have sold my wet land to 2nd accused's wife. The 2nd accused got the sale deed executed in his wife's name. I sold my land at Kalastwadi for Rs 2000. Exhibit P 107 is the bond. It is registered. The 2nd accused paid me 400 Rs on the day the bond was written. He undertook to pay the balance a month after. Then the 2nd accused Mx made a thakerar to pay the full amount stating that there was thakrar on the land and asked me to give the land for Rs 1155. I refused to give the land for that amount. The 2nd accused said that he would pay the fullx amount if there were no thakrars. I consented. The 2nd accused then paid me 749 Rs deducting 6Rs for Kandayem. Exhibit P 107 is dated 10-8-1926. The 2nd accused paid the 700 and odd rupees two months after the bond was executed.

No cross examination.

Interpretted and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
27-6-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Totadappa.	24th witness for
Father's name	Siddalingappa.	prosecution.
Age.	40 years.	
Caste	Sivabhakta.	
Occupation	Agriculture.	
Residence	Bugatagalli, Mysore Tq.	

ON SOLEMN AFFIRMATION.

By Mr.M.S.Rangachar, Prosecuting Inspector of Police.

I know 1st accused shroff Honniah. He has given me a loan of 50 Rs. I have executed a bond for the amount Exhibit P 119 dated 17-3-1927 is the bond.

No Cross Examination.

Interpretted and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
27-6-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE

Case No. 472 of 1926-27.

Deposition of	Bettaiya	23 witness for
Father's name	Thimmaiya.	prosecution.
Age	35	
Caste	Gangadikarvokkaliga.	
Occupation	Contractor.	
Residence	Nazarbad, Mysore City.	

On solemn affirmation.

By Mr. M.S.Rangachar, Prosecuting Inspector of Police.

I know Honnaiya (1st accused). Thummiah and myself had kept a groundnut and Ragi shop. I do not know how Thummiah is related to 1st accused. He is a native of the same village as 1st accused. There is a young boy 8 years, called Thummiah, who is son of 1st accused Honnaiya. The Thimmiah who was my partner was a major and not this boy Thummiah. Exhibit P 115 is the jama-khirch book of my shop. Exhibit P 115(a) is the heading of the account book. On 11-10-1925 I have taken from Thummiah, son of Honnaiya, my partner, a sum of Rs 455-9-6 being the value of groundnuts supplied to my shop. No money was given, but only ground nuts of that value. Exhibit P 115(b) on the same date, another 100 Rs have been entered in the accounts as having been received from Thummiah, son of Honnaiya. This represents the value of ragi supplied by Thimmiah for the shop - Exhibit P 115(c). I have taken 200Rs loan from 1st accused Honniah about year ago. I have not taken any other loan. I have not executed any bond for this. I had not agreed to pay interest for the Rs 455-9-6 and ~~Rs~~ Rs 100-0-0 above referred to. The 1st accused Honnaiya himself should pay me as he has got me to give articles to some persons and has himself purchased articles from my shop. I see Exhibit P 116. I have signed this. It is written in 1st accused's handwriting. What is written in Exhibit P 116 is correct. There was less in my shop and I closed it. Thummiah told me to pay the 400 Rs due to him to 1st accused Honnaiya. The said 400 Rs is the item mentioned in Exhibit P 116

Nagamangalada Boriah is my sister's husband. I see Exhibit P 117 - It is a mortgage deed executed in my favor by the sons of Narayana Rao. I had kept this bond as well as my ~~xxxx~~ utensils and other papers in 1st accused's house as I had gone away to a village leaving my house. I see Exhibit P 118. This is a bond executed by Thimmiah, son of Puttanna in my favor. I had kept this also with 1st accused when I went to a village. Honniah and myself lived in the same street. My house is about a furlong from Honniah's (1st accused's) My partner Thimmiah belongs to Basaral. He is about 25 years of age. He is now living in Bangalore. There was Partnership deed between us. My shop was in Santepet. Thimmiah was not ~~xx~~ sitting and selling in my shop. He used to send groundnuts and ragi. The Police Inspector has recorded my statement. ~~X~~ In Exhibit P 115 against date 15-10-25, there is an entry that of 10 ~~R~~ as 'ಶ್ರೀ.ಸಂಪ್ರ ದವರ ಜ ಮು' —— Exhibit P 115(d). It may be the amount I took from 1st accused on that date. I see Exhibit P 115(e) - shroff Honnaiya therein referred to is the 1st accused.

No Cross Examination.

Interpretted and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
27-6-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Mr. K.R.Seetharama Iyengar	22nd witness
Father's name	Rangachar.	for prosecution
Age	42 years.	
Caste	Sreevishnava Brahmin.	
Occupation	Deputy Amildar, at Closepet, Bangalore District.	
Residence	Closepet.	

On solemn affirmation.

By Mr. M.S. Rangachar, Prosecuting Inspector of Police.

I was Revenue Head Munshi in the Deputy Commissioner's Office, Mysore in the month of December 1925. Mr. Sellum Iyengar had purchased M.L.Vasudevaya's house in auction and deposited Rs 6310. The Deputy Commissioner cancelled the sale and ordered compensation to be given to Mr. Sellum Iyengar. The deposit was made on two dates Viz Rs 1577-8-0 - on 22-10-25 under R.D. No.28 - and the next Rs 4732-8-0 on 26-10-25 under R.D. No.29. I see Exhibit P 87 I wrote this. This is an order from the Deputy Commissioner's Office to the Mysore Taluk Office directing the Amildar to pay back the amount deposited by the sale purchaser Mr. Sellum Iyengar. The words ' ಅವರ ಅಂಕಿತಾಲಯವಳಗಾಗಿ ರಿಪೋರ್ಟ ಮಾಡಿಬೇಳಕು. is in the Deputy Commissioner's own handwriting and he has signed the order. I see Exhibit P 88. It is a letter written by me to Venkataraghaviengar (2nd accused) dated 28-12-25. From this letter I find that the Deputy Commissioner's Order was sent with Mr. Sellum Iyengar. I had written that the deposit should be paid that day and a report sent to the Deputy Commissioner by bearer. Exhibit P88(a) is the writing of Mr. Sellam Iyengar on 28-12-25 and below this the Sheristedar (2nd accused) has written his report. I submitted this to the Deputy Commissioner and he has noted thereon 'seen' and initialled and dated 28/12/25. I cant remember why I wrote a D.O. to the 2nd accused although the Deputy Commissioner's Order was sent. Probably as the order was addressed, to the Amildar and the latter may not be at head quarters, to make sure that the payment

payment was made that day only I wrote the D.O. to the [redacted] Sheristedar.

No Cross Examination.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
27-6-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-1927.

Deposition of	Mr. A.S.Khaleel	20th witness for prosecution.
Father's name	Mohamed Ali Khateel	
Age	25 years.	
Caste	Mohamdan.	
Occupation	Revenue Probationer(Survey Training)	
Residence	Bangalore	

ON SOLEMN AFFIRMATION.

BY THE PROSECUTING INSPECTOR.

I am undergoing survey Training in Bangalore- Before that I was in Mysore taluk. I was there from 3rd January to the end of April 1927 for training in the Taluk Office. I know all the accused. I wanted to know the procedure of sending remittances from the Taluk to the District Treasury. I asked the Sheristedar 2nd accused - two or three times to show me the whole procedure, how they take out and put in the money in the remittance boxes etc. On two occasions, the 2nd accused said he was sending remittances. I went on these particular days and asked him to show. He said he was busy and that he was not going to send the remittance. I told him "show me when you send it." He did not show me at all so long as I was there. But he orally explained to me the whole procedure once. Perhaps during the first month, I went a to the taluk, I do not exactly remember, when the 3rd accused was in charge, I asked him to show me how he used to count the money in the treasury. He took me in with the shroff (1st accused) and Gollur Hanumantha Rao. They opened the double lock box. The shroff got into it - Hanumantha Rao was present. Head Cousesta (3rd accused) was holding the double lock book in his hand. I was standing by his side. The Head Cousesta was reading the details of money in the double lock book and the shroff was counting the notes and saying they were all right. He did the same thing with the notes. The shroff took the bundles of notes in his hand. He counted the bundles and said they were all right while counting he dropped

one

one or two bundles about twice or thrice. I thought he had too many in his hands and dropped them. I could not make out what denominations of notes he was counting as he was holding all the bundles in his hand. I did not understand the procedure of counting the money in the Treasury that day. I waited for another opportunity as the Shirastedar was not present. Hanumanthu Rao was present at the time of counting till the double lock-box was closed.

No Cross Examination.

Read and Admitted Correct.

Sd/- . NARAYANA RAO,
City Magistrate, Mysore.
20-6-1927.

'Copy'

City Magistrate,
Mysore.

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 1926-27.

Deposition of	Mr. K.Gopala Iyengar	21st witness
Father's name	V.Krishna Iyengar.	for prosecution.
Age	41 years.	
Caste	Sreevishnava Brahmin.	
Occupation.	Police Inspector of Mundya Taluk.	
Residence	Mysore.	

On solemn affirmation.

By the Prosecuting Inspector.

I am Inspector of Mandya Taluk from 17-12-26. I know the 2nd accused Venkataraghaviengar. He came there on transfer from Mysore in March 1927. I searched his house which was in Janardhanaswami temple street on 12-4-27 on the requisition from Mysore City, Police. The 2nd accused's house had been sealed as per Police Superintendent's Order, on 7-4-27 - The house had been locked by 2nd accused when he went to Mysore. Another lock was put on and both the locks were sealed. The 2nd accused was present when I searched the house on the 12th He himself opened the lock put by him with his key. During search I found paper Exhibit P 109 in the house. This is in the handwriting of the 2nd accused. A cover marked with turmeric on which account for 130R. is written was also found Exhibit P 112. The 2nd accused said that it was the account written by himself. The 2nd accused has signed Exhibit P 109 and Exhibit P 112. The punchayetdars have also initialled these two papers. I drew up a mahazar for this and the 2nd accused has signed the mahazar. I examined two witnesses. On 15-4-27 I examined Parthasarathiengar shroff and Sreenivasiengar and sent their statements to the Divisional Inspector, Mysore.

No Cross Examination.

Read and Admitted Correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
20-6-1927.

'Copy'

City Magistrate,
M y s o r e.

IN THE COURT OF THE CITY MAGISTRATE, M Y S O R E.

Criminal Case No. 472 of 1926-27.

Deposition of	Mr. D.Seshagiri Rao	P.W.19
Father's name	D.Hanumantha Rao.	
Age	41	
Caste	Brahmin.	
Occupation	C.I.D. Inspector.	
Residence	Bangalore.	

By the Prosecuting Inspector. ON SOLEMN AFFIRMATION.

I am the Inspector in the C.I.D. Branch for the last 2½ years. In the course of my service of 16 years' I have investigated the accounts in several defalcation cases. I investigated the whole of the accounts in the Mysore Bank case. I investigated the accounts in Bangalore Power and Light and Sivasamudram Defalcation cases along with Mr.K.S. Iyer, chartered accountant. I have investigated the accounts in the state Huzur Treasury Frauds and in several other defalcation cases. On the 6th of April 1927 I received orders at Bangalore from the Inspector General of Police, to proceed to Mysore for the investigation of the Mysore Taluk Treasury case. I came here on the 7th morning and took instructions from the Police Superintendent Mr. Mallappa and also the Deputy Commissioner. Mr. K.Purnachar had already been investigating the case and so I confined myself into the investigation of the accounts of the cases in the case. I began examining the accounts relating to the case. As a result of my general scrutiny of the accounts, I had to take 15-6-1926 as my starting point for my investigation, because on 15-6-25 the Deputy Commissioner had inspected the Treasury and he had certified that the balance in double lock was correct. Out of the remittance sent on 16-5-25 the notes portion had been tested in the District Treasury on 13-6-25. Between 15-6-25 and 31-12-25 the District Treasury Officers have inspected the Treasury once on 17-6-25 and another time on 6-12-1925 and the Taluk Amildar has inspected the Treasury on the 1st of every month commencing from July. All these inspections except the one on 1-12-25

have

have been preceeded by remittances to the District Treasury which remained untested in the District Treasury on the dates of all the inspections. On 1-12-25, there are indications in the accounts i,e, Exhibit P1 Double Lock Register, that the remittance sent on 1-12-25, must have been got ready on the previous day i,e, 30-11-25. Exhibit P 28 Invoice relating to this remittance shows that 225 notes of one Rupee were sent with the remittance and this no of notes is the opening balance of the 30th, the closing balance being 325. If this remittance had been sent on 1-12-25, all the 325 - one rupees would have been sent because they are uncurrent Exhibit P1(j) is the entry in double lock register of 30-11-25. In 5 Rupees Notes the closing balance on 30-11-25 is 753, and below this entry, there is a pencil entry of 178 which is the difference between the closing balance of 5 - Rupees notes and the remittance of 575 - 5 Rupees notes sent as per Invoice. In 10 - Rupees notes - the closing balance is Below this there is a pencil entry in exhibit P1(j) of 1[illegible] which is the difference between 910 and 200 sent with the remittance. The balance of 30-11-25 brought forward on the next page is after these pencil entries. So it is clear that the remittance boxes were packed on 30-11-25. On 23-6-1925, Five 100- Rupees notes have been taken out from the double lock. The totals payment on 23-6-25 is 75-15-[illegible] consisting of two items of ₹ 71-8-0 and ₹ 4-7-3 Exhibit P[illegible] Hence there was no need for the use of the 5- 100- Rupees notes taken out.None of these 5-100 ₹ notes have been put in in the double lock box at the close of that days transactions. So they have disappeared. Payments must have been made out of the days collections. The total collection for the day was ₹ 2755-0-0 . This is entry Exhibit P 110 in shroffs jama Register Exhibit P 110. On that day 50[illegible] worth of small coins are put in (Exhibit P1(p)) Under lock amount, there is an increase, of ₹ 179-10-3 over days opening balance. The payment was ₹ 75-15-

The total of all these 3 items will be ₹ 765-9-6 which would leave 2000 ₹ out of the days collections. In the double lock a sum of 2500 ₹ in whole rupees have been put in as per Exhibit P1(p) 2500 whole rupees could not have been got out of the days collections. On 14-7-25, in Exhibit P1 the entry Exhibit P1(q) shows that 6 notes of 100 ₹, 2 notes of 50 ₹ 100 notes of 5 ₹, aggregating ₹ 1200 have been taken out and no other kinds of notes or coins are taken out that day. The total payment on that day was ₹ 187-12-0 consisting of 3 items viz, ₹ 30, ₹ 34-12-0 and ₹ 123-0-0, Exhibit P76(b) for paying ₹ 123 - one note of 100 ₹ may be used, but not for other items and the total payment that could be made in notes would be ₹ 185-0-0. It must leave a balance of ₹ 1015 in notes. Exhibit P1(q) shows that no notes have been put in that day but only 1345 whole rupees have been put in. The total receipts for the day i,e, on 14-7-25 was ₹ 380-2-0 Exhibit P 110(b). The single lock balance has risen by ₹ 47-6-0. This must be out of the days collections. If this is deducted out of ₹ 380-2-0, it will leave a balance of ₹ 332-12-0 which cannot fetch 1345 whole rupees put in in the double lock on 18-8-25, two notes of 100 ₹, and 180 notes of 10 ₹ amounting to ₹ 2000 have kabeen taken out from double lock - Exhibit P1(r). The total payment on that day was ₹ 70-12-0 consisting of 2 items of ₹ 27-4-0 and ₹ 43-8-0. So 100 ₹ notes could not a have been used for payment and out of the 10 ₹ - notes the maximum number that could have been used was 7. But the put in entry Exhibit P1(r) shows No 100 ₹ notes put in only 19 notes of 10 ₹, 28 of 5 ₹, 20 of 1 Rupee, 2000 whole rupees, and small coins 500 ₹ - total 3740 ₹ have been put in - So 2 notes of 100 ₹ and the balance of 10 ₹ notes Viz 154 have disappeared. The total receipts of the day was ₹ 1818-0-3.---Exhibit P 110(c). On that day the the increase in single lock box was ₹ 7-4-3, 20 notes of 1 Rupee and 500 ₹ small coin were put in in double lock

lock and these aggregate to ₹ 527-4-3 and these may have been met out of the day's collections. Deducting this amount, the balance removing out of the day's collections would be 1219-12-0 which cannot fetch in ₹ 2900 whole put in into the double lock box that day. On 31-8-1925 remittance of ₹ 20300 is sent to District Treasury as per Exhibit P6 and the amount taken out is as per Exhibit P11(a) ₹ 24225-0-0. On that day, the opening balance in one-rupee notes was 825. In 5 ₹ - notes, the total number taken out was 535. But in the Invoice Exhibit P6 - only 335 ₹ - notes of one rupee are sent. As per exhibit P 65, the accountant General of Madras, has issued a circular that one rupee notes received and in stock in the Treasury should not be reissued to the public. I On this the Comptroller to Mysore Government has issued instructions to the Treasury Department on 17-12-1924, that notes of one rupee collected from the public and in stock may be remitted to the Imperial B India, Bangalore. Taluk Treasuries send these notes through the District Treasuries. This order is received by the 2nd accused on 18-12-1924 and he has initialled it. This circular was brought from the file maintained in the Mysore Taluk Treasury. So, out of 825 - one Rupee notes taken out 500 - notes have disappeared and they could not have been issued to the public. The figure 825 appears to be an inflated figure to cover shortage. It is possible to take the notes and use them outside. To make up this shortage of 500 ₹ as against 535 - notes of 5 ₹ taken out from the double lock 635 notes of 5 ₹ are shown in the Invoice. When he has taken out 535 - such notes from the double lock he could not have actually put in 635 notes in the Remittance box because the balance of what was taken out - plus collections will be equal to expenditure and what was put in both in single and double lock. This indicates that 100 notes of 5 Rupees must have been short in the remittance box sent on that

that date and must have been recouped at the time of shroffing on 12-9-25. they have first taken out 1155 whole rupees and again 7 notes of 100 ₹ as per Exhibit P1(s). On that day the total payment was ₹ 804-10-0 consisting of 10 items Exhibit P76(c). In items Nos 2, 5 and 6, there is scope for the use of 5 notes of 100 ₹ - The balance of 2 at least should have been put back at the close of the day. But no note of 100 ₹ has been put in as per Entry Exhibit P1(s). The payments that day were pay bills of school masters and the 2nd accused has initialled the entries in token of receipt. The total receipt for the day was ₹ 1189-13-11 as per Exhibit P 75(b). In addition there is a decrease in the single lock amount by ₹ 109-12-1. The total of these two would be ₹ 1299-10-0. If 5 notes of 100 have been used for payments, then the balance of ₹ 804-10-0 should have been paid out of the above amount of ₹ 1299-10-0 which would leave a balance of 995-0-0. If the whole of 804-10-0 had been paid out of this, it would leave a balance of ₹ 495-0-0.Out of this 350 ₹ in small coins are put in at the close of the day which would give a balance of either ₹ 645 or ₹ 145. To this must be added 1155 whole rupees taken out. The total available for putting in would be 1300 or 1800 ₹ in whole rupees. As against this, 2000 whole rupees inclusive of the value of notes of 100 which have disappeared have been put in in the double lock. On 9-9-25, 100- notes of 5 ₹ plus 460 whole rupees have been taken out. Exhibit P1(t). But the put in entry at the close of the day shows that 520 - one rupee notes were put in. With these 520 notes of one rupee, the opening balance on 28-9-25 in one rupee notes was 948 as per exhibit P1(n) On 28-9-25 - a remittance of ₹ 30354 has been sent as per Exhibit P7 which is exactly the amount taken out of the double lock so far as the total is concerned. As aga 900 - one Rupee notes taken out from double lock, on

are shown in the Invoice Exhibit P7. To make up the shortage of 500 ₹ in the total as against 450 notes of Rs. taken out, 550 notes of 5 ₹ are shown in the Invoice. of the one-rupee notes 900 was the opening balance on previous day of the transactionand 45 notes were collected on the previous day i,e, on 24-9-25. If remittance was ready on 28-9-25, the whole of 945 - one rupee notes ought to have been taken out. The total receipts for 28-9-25 and the amount in the single lock will be equal to the total payment amount put in the double lock and the balance of the single lock. 100 notes of 5 ₹ could not have therefore been taken out of the days collections and put into the Remittance box over and above what was taken out of the double lock box for the purpose. Therefore this figure of 900 seems to be inflated to the extent of 500 ₹ in order to cover a shortage of 500 ₹ which might have occurred on 9-9-25. This is the second instance in which 100 notes of 5 Rupees is sent short in the Remittance box and recouped on the date of testing.

Further Examination-in-chief adjourned to to-morrow.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
17-6-1927.

Recalled for further Examination-in-chief and duly affirmed.

The remittance sent on 31-8-25 was finally shroffed on 12-9-25. The opening balance in the Taluk Treasury - of 5 Rupees notes on that day (12-9-25) was 193. So there were sufficient notes available to recoup the shortage of 100 notes in the remittance of ₹ 31-8-25. The remittance sent on 28-9-25 was finally shroffed on 13-10-25. The opening balances on 13-10-25 of 5 Rupees notes was 292. Sufficient to cover the shortage caused on 12-9-25 and to recoup the shortage on 13-10-25. Up to 27-10-25, the next date of remittance,

remittance, the balance of 5 Rs notes increases in the double lock. Even up to 31-12-25, the balance of 5 Rupees notes in the double lock never goes below 200, and so my inference is that on account of these two items there must have been a shortage of 1000 Rs in 5 Rs notes in the double lock. On 16-6-25 a remittance is sent Exhibit P3. On 16-6-25 the opening balance as per Exhibit P1 of one rupee notes was 1880. The whole of it is taken out and the whole is shown in the Invoice. On 30-7-25 a remittance is sent as per Invoice Exhibit P4. The opening balance of one rupee notes on that day was 1185 - collected between 16-6-25 and 11-7-25. The whole of this is taken out and sent with the remittance. On 31-8-25, there is a remittance sent. The opening balance of one rupee notes on 31-8-25 was 825 - collected between 30-7-25 and 27-8-25. Between 31-8-25 and 24-9-25, the notes total collection of 1 Rupee notes was 900. On 28-9-25 the whole of 900 is taken out of the double lock. The next remittance was on 27-10-25 up to which date there was a collection of 920 - one - rupee notes and the whole of this is taken out and sent with Invoice Exhibit P9. The next remittance was on 1-12-25. By 30-11-25, the total collection in one rupee notes was 235 - and the whole of it is taken out and sent with the remittance. I examined the Invoices of 1926 also and the one rupee notes takenout have been invariably sent with the remittances. On no occasion are one rupee notes taken out of the double lock except on dates when remittances were sent and for the purpose of sending with the remittances. A scrutiny of the double lock Register shows that by 30-11-25 the balance in the notes of Rs 5 and 10 had increased and the balance in whole rupees decreased. Under the existing system of accounts in the Treasury details of notes and coins as received are not entered in the accounts. What is taken out for transactions is mixed up with what is received and it is only the balance

out

out of these two items that remains at the end of the day. Even the details of the balance are not available except in the double lock register. Before making an entry in the double lock Register, these details are worked out in the sheroff's rough book. On 28-12-25 the closing balance in notes was ₹ 8605-0-0 of which 275 was in one-rupee notes. So there was sufficient amount in notes to pay ₹ 6310 in notes to Mr. Sellam Iyengar. This amount Viz 8605 ₹ was the opening balance on 31-12-25 also, the opening balance in notes on 28-12-25 was ₹ 7930. After the 28th the 31st was the next transaction day. Exhibits P 87 and P88 show that on 28-12-25, there was an urgent order from the Deputy Commissioner to pay ₹ 6310 to Mr. Sellam Iyengar that day - Exhibit P 88(a) shows that in the Taluk Treasury on that day, there were no notes to the value of ₹ 6310 available to pay Mr. Sellam Iyengar. The payment was therefore put off till 31-12-25. Exhibit P 85 shows that on 31-12-25, a remittance of 6000 ₹ consisting of ₹ 2000 each of the denominations of 100, 10, and 5 Rupees notes were got from the District Treasury on reqular requisition. On 31-12-25, the double lock Register shows no taken out. Therefore the payment to Mr. Sellam Iyengar could not have been made out of the amount in the double lock. The put in entry for that date shows 1 note of 100, 6 notes of 10 - 23 notes of 5 - This shows that what was got from the District Treasury was not put into the double lock box. The inference is that Mr. Sellam Iyengar was paid out from what was got from District Treasury and the days collections. Exhibit P 60 shows the need for keeping 100 ₹ notes and whole rupees for payments on the 1st and not 5 ₹ and 10 ₹ notes. As per entries made in the double lock Register Exhibit P11 on 2-1-26, it is seen that 57 notes of 10 ₹ and 87 notes of 5 ₹ are taken out and 12 notes of ten and 100 notes of 5 are put in. The total payment on 2-1-26 was ₹ 9320-4-0. There was no need for notes of 5 and 10 though

though such a large amount was paid out. As shown in Exhibit P 88(a) which is submitted to the Deputy Commissioner by the 2nd accused there could not have been sufficient notes in the double lock box to make a payment of ₹ 6310 on that day or the 31st. The remittance sent on 1-12-25 to District Treasury had been finally tested on 15-12-25 as per Exhibit P 28(a) The next remittance was sent on 12-1-26. So on the 28th and 31st December 1925, there was no remittance pending in the District Treasury. The shortage then must have been in the double lock box. On 6-12-25 the District Treasury Officer inspected the Taluk Treasury. The remittance of 1-12-25 was pending passage in the District Treasury. There was no shortage in the double lock box on 6-12-25 as the District Treasury Officer, has certified as to correctness of balance. The shre shortage must have been in the Remittance remained ~~int~~ untested that day. Exhibit P 28(a) is the Invoice. It shows that on 1-12-25 ₹ 5100 in notes of 5 and 10 ₹ and including 225 one rupee notes, and the rest in small coins amounting in all to 15000 ₹, were sent. So, the shortage must be in the notes sent and not in the small coin. Out of ₹ 5100 ₹ - the one rupee notes of 225 should be deducted as these have been handed over to the District Treasury. This leaves a balance of 4875 in 5 and 10 ₹ notes. Therefore the shortage on 1-12-25 could not have exceeded this amount. There are 200 notes of 10 ₹ and 575 notes of 5 ₹ shown in this Invoice Exhibit P 28(a). On 15-12-25 when this remittance was tested, the opening balance in the double lock Register shows 265 of 10 ₹ notes and 627 of 5 ₹, notes, both of which are more than what is shown in the Invoice. On 1-12-25, after the remittance was sent there were only 10 notes of 10 ₹ and no notes of 5 ₹ remaining in the double lock box. The 10 ₹ reached the figure 216 at the close of 7-12-25 and in notes of 5 ₹ - The balance rose from 527 to 627 on 14-12-27. Therefore until the balance of 575 in 5 Rupees

by the Amildar. The closing balance of the Imprest amount on 31-7-25 was ₹ 10136-10-7. The Amildar has simply initialled it and has not certified as to its correctness or otherwise. The opening balance on 1-9-25 was ₹ 10766-10-3 and this entry is not initialled by the Amildar. On 1-10-25, the balance was ₹ 5307-4-6. On 1-11-25 the balance was ₹ 4921-5-2. The Amildar has said 'seen' and initialled this entry. On 1-12-25 it was ₹ 5685-13-6. On 6-12-25 it was ₹ 5618-3-11. This is not checked by the District Treasury Officer.

Further Examination in chief deferred to 21st instant.

Read and Admitted correct.

Sd/ C. NARAYANA RAO,
City Magistrate, Mysore.
18-6-1927.

21-6-27

Recalled for further Examination in Chief and duly affirmed - In 1926 two remittances are sent, the first remittance on 12-1-26 and the second on 20-1-26. I could not get the date of shroffing of the first remittance, thesxmx second remittance was shroffed on 30-1-26. In the remittance of 12-1-26 - 240 notes of 5 ₹, have been sent and after its remittance there was a balance in in the double lock box of 426 - 10 ₹ notes and 615 - 5 ₹ notes. The balance left would be sufficient to cover the shortage in the Taluk Treasury. After remittance on 19-1-26, the balance left in the double lock box of the treasury was 500 notes of 10 ₹ and 700 notes of 5 ₹. This balance is sufficient to cover the shortage in the double lock box. The next remittance is sent on 25-2-1926. Between 30-1-26 and 25-2-26, the shortage must be in the double lock box in the Taluk Treasury. During this period the lowest figures reached in 10 ₹ and 5 ₹ was 400 and 600 respectively and these figures were reached on 1-2-26 and 24-2-26. On 5-2-26, 1335 whole rupees are taken out, 500 whole rupees are put in at the close of

the

impress notes, was reached, the remittance was not tested. The very next day after the balance reached 627, the remittance was stroffed. Between 1[illegible]-12-25 when the previous remittance was tested and 12-1-26 when the next remittance was sent the book balance in notes of 10 and 5 R. is always above 300 and 375 respectively. By applying these tests the approximate maximum shortage on 28th and 31st December 1925 would be 4875 R. Between 16-12-25 and 28-12-26 my scrutiny of the accounts shows that there could not have been any abstractions. The minimum amount, that could have been short in the Treasury on the 30th and 31st December 1925 could not have been less than 2335 R in notes of 5 R and higher denominations. Because the closing balance on 28-12-25 in notes of the denominations of 5R and above would be R 8330 and if 6000 R is deducted out of this, it leaves a balance of 2330 R - Even if R 2330 was the shortage they could have paid out 6000R to Sellum Iyengar. So the R in notes to Sellum Iyengar must have been less than R 6000/- leaving a shortage of at least R 2335/- in notes. On 31-12-25 after making all other payments, including the payment of 310 R made to Sellam Iyengar out of the day's collections, the balance of notes put in was R 275 in value. On 23-6-25 there is an adjustment of R 500 - On 14-7-25 there is an adjustment of R 1050, on 18-8-25 - R 1740 R, on 31-8-25 R 300, on 12-9-25 - R 200 and on 9-9-25 and 28-9-25, - R 500, This gives a total of R 4455. There might be some more items of abstractions, which might have escaped my scrutiny. This figure arrived at is very near. R 4875 which is the maximum shortage already fixed. My inference is that these adjustment could not be the result of bonafide exchange of notes and coins of one denomination for another. The approximate shortage up to 31-12-25 amounts to R 4455/-. On 1-7-25, the opening balance of the Imprest amount as per Imprest Book Exhibit P 111 was [illegible]. This is notk checked

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the days transaction. If this was the balance of what was taken out, it would leave a sum of ₹ 835 to be accounted for the total payment for that day was ₹ 499-6-1 Exhibit (b). If all the payments were in whole rupees, it would leave a balance of 336 ₹ to be accounted for. The total receipts of 5-2-26 was 440-13-6 Exhibit P 75(b). The single lock balance on 5-2-26 fell from 441-4-1 - to 323-13-6 showing a decrease of ₹ 117-6-7. Adding this to the total receipts of the day, the resultant total would be ₹ 564-6-1 At the close of the day 300 ₹ worth of small coin were put in. This gives a balance of ₹ 264- to be put in. This 264 and the balance of what was taken out viz 336 ₹ - would make 600 ₹ - and 60 notes of 10 ₹ making 600 ₹ are put in at the end of days transactions. The receipts could not have fetched more than 200 ₹ worth of 10 ₹ notes and so at least 336 whole xx rupees have disappeared and in its place, the inflated figure in 10 ₹ notes are shown. The remittance sent on 25-2-26 is tested on 11-3-1926. Exhibit P11 Invoice relating to this shows that 400 notes of 10 ₹ and 600 notes of 5₹ had been sent with the remittance. After this remittance the balance in the double lock box was 46 notes of 10 ₹ and 58 notes of 5 ₹. On 10-3-1926, the balance in the double lock box was 738 notes of ₹ 10 and 1294 notes of 5 ₹. On 18-3-26, a remittance was sent and it was finally shroffed on 23-3-26. After sending this remittances the balance in the double lock box was 400 notes of 10 ₹ and 631 notes of 5 ₹. In Exhibit P 77 shroffs Jamakharch Register, after 5-4-26, he has put the date 7-4-26 and again 7-4-26. The first 7-4-26 ought to be 6-4-27 (Exhibit P 7(a)) The double lock Register shows that on 6-4-26 8 notes of 100 ₹ are taken out and at the close of the days transactions no notes of 100 ₹ are put in Exhibit P1(a). The total payment on that day was 242-13-0. The highest payment was ₹ 84-13-0. Thus there was no need for the use of any notes of 100 ₹ and much less for the use of all the

the 8 notes. The total receipts of the day was 1883-2-4. Total of small coins put in was 400 ₹. Increase in single lock was ₹ 2-5-4. As the payments are all less than 1000₹, the payments must have been made out of the days collection. The total of these 3 would be ₹ 945-2-4. Deducting this from the total receipts of the day it would give a balance of ₹ 940-0-0 - ₹ 940 in some form another and 8 notes of 100₹ ought to have been put in. But 42 notes of 10 ₹ and 1320 whole rupees are put in -so on this day 8 notes of 100 ₹ and 1 note of 50 ₹ are taken out and nothing else and both of them are not put back at the close of the days transactions - There was no payments at all that day - Exhibit P1(4) is the entry in Exhibit P1 on 13-4-26 - The total receipts/for that day was ₹ 73-1-0 and decrease in single lock was ₹ 11-15-0. Exhibit P77(b) These work to a total of ₹ 85-0-0 of this, 35 whole Rupees are put in at the close of the days transactions. Deducting this there will be a balance of 50 ₹ - 50 + 150 ₹ will 200 ₹ and so 8 notes of 10 ₹ and 24 notes of 5 ₹, are put in. These notes could not havebeen got out of the days collections. So here also the 2 notes for 150 ₹ have disappeared and the shortage is shown in notes of 5 and 10 ₹. On 23-4-26, a remittance was sent and it was finally shroffed on 17-5-26. Exhibit P 14(a) is the concerned Invoice. After remittance the balance was 4 notes of 100 ₹, 1 of 50 ₹ 389 of 10 ₹ and 648 of 5 ₹. The opening balance on 17-5-26 was 12 notes of 100 ₹, 6 notes of 50 ₹, 605 of 10 ₹, 1280 of 5 ₹. The next remittance was sent on 29-5-26. Exhibit P 15 is the Invoice concerned. This was finally shroffed on 23-6-26. After remittance, on 29-5-26 the balance was 6 notes of 100 ₹, 4 of 50 ₹, 300 of 10 ₹ and 300 of 5 ₹. The opening balance on 21-6-26 was 7 notes of 100, 1 of 50 ₹, 617 of 10 ₹, 122[illegible] of 5 ₹. The next remittance was on 26-6-26. Between 23-6 and 26-6-26, the shortage ought to have been in the double lock box itself. The balance in notes never goes below opening

opening balance on 23-6-26. The remittance sent on 26-6-26 is tested on 20-7-26. After remittance on 26-6-26, the balance in notes was 6 of 100 ₹, 1 of 50 ₹, 100 of 10, and 299 of 5 ₹. Exhibit P 17 is the Invoice relating to remittance of 26-6-26. The opening balance in notes on 20-7-26 was - 2 notes of 100, 1 of 50 ₹, 512 of 10 ₹, 921 of 5 ₹, 512 of 10 ₹, 021 of 5 ₹. A remittance was sent on 20-7-26 and tested on 18-8-26. After remittance on 20-7-26 the balance was 7 notes of 100, 2 notes of 50 ₹ 91 of 10 ₹ and 228 of 5 ₹. At the close of 10-8-26, the balance in notes rose to 2 of 100, 1 of 50, 435 of 10 ₹ and 502 of 5 ₹ - The remittance shows 600 of 10 and 940 of 5 ₹ notes. So on 11-8-26 - 2440 whole rupees are taken out from the double lock box ~~Exhibit~~ Exhibit P2(w). The total payment on that day was ₹ 2114-0-7. Assuming that all the payments were in whole rupees and 170 ₹ have been put in- This gives a total of 2284 ₹ - leaving still a balance 156 whole rupees out of the sum taken out, which has disappeared. Total receipts of the day was ₹ 306-2-7 Exhibit P 77(c) Small coins put in were 50 ₹ - Increase in single lock ₹ 2-2-0. These two must be out of the days collections. Deducting these two - the balance will be ₹ 544-0-7. The maximum number of notes that could be got out of this would be 54 of ₹ 10- where as 70 notes of 10 ₹ are put in. This could not have been got out of the days collections. The whole rupees have been converted into notes to increase the notes balance. On 17-8-26, 1955 whole rupees are taken out and nothing else Exhibit P2 is the entry on that date. The total payment on that day was only ₹ 122-13-0. Exhibit P77(d) Assuming that all the payments were made in whole Rupees only 122 whole rupees would be used. But not a single whole rupee has been put in at the end of the days transactions. The total receipts of that day was ------- ₹ 504-12-6 - Increase in single lock was ₹ 31-15-6 - small

and

173

and uncurrent coins put in was 305 ₹. All these must be out of the days collections. Deducting these two, the balance would be 167 ₹ - 7as - 0 out of the days collections this plus 1833 or ₹ 2000 whole rupees have disappeared and 200 - 10 ₹ notes are put in. By these adjustments the closing balance in 10 ₹ notes on 17-8-26 was 669 - as against 600 shown in the invoice. Each balance in 5 ₹ notes was 542 in double lock as against 940 shown in the invoices. This shows that by that time the shortage should have been about 6000 ₹ in 10₹ notes. On 18-8-26, a remittance of 6000 whole rupees and 1000 ₹ - worth of 100 ₹ notes were got from the District Treasury owing to the conversion of whole rupees into notes. The next remittance was sent on 31-8-26 Exhibit P 10 - It was finally shroffed on 9-9-26 Exhibit P 19(a). After this remittance the balance in notes in the double lock box was 5 notes of 100 ₹, 4 notes of 50 ₹, 171 of 10 ₹ and 100 of 5 ₹. The balance of 5 ₹ notes could not cover the shortage of 900 - 5 ₹ notes relating to remittances of 31-8-26 and 28-9-26. This is an indication that the shortage must have been in the remittance of 31-8-26 and not in the double lock box.

Further Examination in chief adjourned to tomorrow.

Read and Admitted correct.

Sd/G. NARAYANA RAO,
City Magistrate, Mysore.
21-6-27

Recalled for Further Examination-in-Chief and duly affirmed.

On account of the conversion of whole rupees into notes on 17-8-26, the balance in the double lock in whole rupees was nil and the balance in notes was ₹ 6880. On 17-8-26, a requisition is sent to the District Treasury indenting for 6000 whole rupees and 1000 ₹ in currency notes of 100 ₹, on the that they were needed for daily transactions and that whole rupees and currency notes were out of stock. Exhibit P 84 is the entry in current Register

was sent on 21-12-1926. Mr. Basavaraja Urs wrote (Ex.P33 A and P 34) that "The remittance from the Taluk Treasury office is not always coming in time. It is always being received late. It is not sent with the idea of verifying the amount the same day but with the idea of keeping the box in custody for days and days together and then at their liesure, sending the Shroff for verification. This system is certainly bad". He ordered that the Shroff should go for testing at 11 A.M. on 22-12-26 so that he may after it go to the Taluk Treasury for inspection. He inspected the Taluk Treasury that day. Inspite of this severe order the testing was not done till 27-12-26. The 2nd accused wrote an elaborate excuse for not sending the Shroff. Though Mr. Basavaraja Urs did not then even suspect fraud we can now see how correctly he judged that the remittances boxes were kept for days together with other objects in view.

XVI. Since the sums defalcated were represented in Rs. 5 and Rs. 10 notes, the total value of those notes to be always shown in the remittance box or after testing in the double lock can never be less than the amount misappropriated till then. For instance if Rs. 800/- are defalcated and the account is balanced by a fictitious credit of 80 x 10 Rs., then so long as there is a shortage of 800 Rs. this credit of 80 x 10 Rs. must appear in remittance box or double lock box. If the defalcation increases from 800/- to 8000/- then the minimum number of Rs. 10/- notes can never be less than 800/-. If this minimum can be ascertained then the defalcation up to that period can also be known. In Para 11 of this judgment I have given the table of cases in which according to the prosecution, defalcations are said to have taken place together with the amount. That table will show that up to end of October 1925 the total sum defalcated was Rs. 5150/- and it was reached before 1-12-25. In the remittance of 1-12-1925 there were 200 x 10 Rupees and 575 x 5 Rupees. Testing was not done till 15-12-1925

on

in Single lock was ₹ 140-12-2. The small coins put in was 250₹. Total of these would be ₹ 390-12-2. These must be out of the days receipts - Deducting these from the days rpeeipts, the balance would be ₹ 714-15-0 which can fetch in 710 ₹ worth of notes of 5 ₹ and 10 ₹. If to this the whole rupees which have disappeared are added, the total would be ₹ 1915- 185 notes of 10 ₹, and 90 notes of 5 ₹, totalling to 1915 ₹ are put in. With these, the balance in notes on 7-9-26 rose to 601 in 10 ₹ and 415 in 5 ₹.(Exhibit P77(f). On 8-9-26, 104 of 5₹ notes are put in - So at the close of 8-9-26, 601 notes of 10 ₹, 519 notes of 5 ₹ were available in the double lock as against 700 notes of 10 and 500 notes of 5 shown in the Invoice Exhibit P20. On 9-9-26, the Remittance was tested. The next remittance was sent on 29-9-26 and tested on 25-10-26 Exhibit P 21. It shows 14 notes of 100, 700 notes of 10 and 600 notes of 5 ₹. The opening balance on 25-10-26 in 10 and 5 ₹ notes was 823 and 849 respectively - more than what was shown in the Invoice. The next remittance was on 30-10-26 and this was finally tested on 13-11-26. Exhibit P 23 is the Invoice relating to this. This shows that 700 notes of 10 and 600 notes of 5 were sent. By 9-11-26, the balance in whole rupees in the double lock box was only ₹ 330/- and the balance in notes was ₹ 5432 of which 321 was of 10 ₹ and 330 of 5 ₹. On 9-11-26 a requisition is sent to the District Treasury indenting for 6000 whole Rupees. The 2nd accused has signed the requisition Exhibit P 61 - the reason given is that parties required whole rupees 6000 whole rupees are got on 10-11-26. On 9-11-26, 1180 whole rupees which was the balance is all taken out and at the end of the days transactions 330 whole rupees are put in, and on that day, 57 notes of 10 and 1 note of 5 are put in to-talling to 575₹. From 2-11-26 to 9-11-26, only whole rupees are taken out and not notes of 5 and 10 ₹. After getting the remittance of 6000 whole rupees

rupees on 10-11-26 ₹ 3580/- are taken out on 11-11-26 Exhibit P2(a1). The total payments that day were 523-2-0 Exhibit P77(g). Assuming all the payments were in whole rupees only 523₹ will be used leaving a balance of 9027 whole rupees. Of this ₹ 320 is put in - ₹ 2707 which is the balance has disappeared. The total receipts of that day was ₹ 2038-0-6. 6 notes of 100 ₹ are put in that day - Deducting this the balance would be 1438-0-6. The decrease in the single lock was ₹ 148-1-6. Small coins put in are 52₹. Taking these into account the balance would be 1063-2-0 which would be fetch in notes to the value of 1060 in 5 and 10 ₹ notes. But in addition to 6 notes of 100 ₹ 312 notes of 10, and 13 notes of 5 ₹ are put in. So ₹ 3770 would be the value of 10 and 5 ₹ notes put in which is the total of 1063 balance out of receipts and 2707 balance out of whole rupees taken out. Again on 12-11-26 1120 whole rupees are taken out. Exhibit P2(b1). The total payment that day was only 82. At the close of the day's transactions 395 whole rupees are put in. Deducting these two, the balance would be 902. Assuming that no whole rupees were received that day out of receipts and the payments were all in whole rupees, 392 ₹ have disappeared. The total receipts of the day were ₹ 211-11-9 Exhibit P77(h) - Adding the decrease of 13-4-3 in sigle lock, the total would 225 ₹ on that day 17₹ worth uncurrent coins are put it. These must be out of the days collections. Deducting these the balance would be ₹ 208 which would fetch in only 205 ₹ worth of notes of 5 and 10 ₹. 208 + 392 whole rupees disappeared would be 600₹ - and 600₹ worth of notes of 5 and 10₹ and 100 ₹ are put in. With these the closing balance in notes on 12-11-26 rose to 11 in 100₹, 763 in 10₹ and 800 in 5 ₹ as against 700notes of 10 and 800 notes of 5 shown in Exhibit P23. On 13-11-26 the remittance was finally tested. On 12-11-26, 5 notes of 100 are put in at the close of the day. These appear to be a fictitious

(17)

figure as no note of 100 ₹ could have been got in the days receipts all the items of receipts being less than 100 ₹. I have scrutinized the accounts to see how this fictitious balance of 300 Rupees notes, have been disposed of on 16-11-2 3 notes of 100₹ and 10 notes of 5 ₹ are taken out Exhibit P2 (C1). On that day there was only a single item of payment of 15 ₹. So there was no need for the use of 100 ₹ notes. Even the payment was made out of 5 ₹ notes taken out, there was necessity only for 3 notes being used. Both the notes of ₹ 100₹ have disappeared and they are not put in. The total receipts of the day were ₹ 446-15-0, Exhibit P77(1) Decrease in single lock was ₹ 58-1-0. Total of these two would be ₹ 505- Deducting small coins of ₹ 200 in value put in, the balance would be ₹ 305 - 320 whole rupees are put in and 13 notes of 10 and 18 notes of 5 are put in. Therefore the figures are were fictitious figures . The balance of 3 notes of 100 ₹ out of what was put in on 12-11-26, is merged in the 20 notes of 100 ₹ taken out 1-12-26. A remittance was sent on 29-11-26 and te ted on 9-12-26. Exhibit P 25 is the Invoice - This shows 800 notes of 10 and 700 notes of 5 ₹. After sending this remittance, the balance in the double lock was 16 notes of 10 and 82 notes of 5 ₹. By 3-12-26, the balance in notes rose to 289 of 10 ₹ and 410 of 5 ₹. On 3-12-26, 1000 whole rupees are taken out. Exhibit P2(d1). The total payment on that day was ₹ 573-13-0 If all the payments were in whole rupees it would give a balance of 427 ₹. At the close of the day 120 whole rupees have been put in. This will leave a balance of 307 ₹ which has disappeared. The total receipts of the day was ₹ 1501-15-4. There is increase in single lock of ₹ 7-8-4. Deducting this there will be a balance of ₹ 1564-7-4 Exhibit P77(j Total of small coins put in was ₹ 350. This would leave a balance of ₹ 1214-7-4. But 308 notes of 5 ₹ which is equal to 1540 ₹ is put in. On 4-12-26 1000 whole rupees are taken

taken out. 47 notes of 10 and 30 notes of 10 ₹ are put in. on 6-12-26 1200 whole rupees are taken out Exhibit P2(e1). The total payment of the day was ₹ 434-11-0 and 100 whole rupees are put in at the end of the day. Deducting these two, the balance would be ₹ 666-0-0. Assuming that all the payments were in whole rupees and no whole rupees were received in the receipts 666 ₹ have disappeared. The total receipts of the day was ₹ 1323-0-9. Decrease in single lock was ₹ 90-10-3 - Total would be ₹ 1412-11-0 Exhibit P77(1) small coins and uncurrent coins put in was 688 ₹ that day. Deducting this the balance would be ₹ 734-11-0. ₹ 7241666 would be 1390 ₹ 139 notes of 10 i.e, 1390 ₹ are put in. 139 notes of 10 could not have been got out of the days collection on 7-12-26, 2100 whole rupees are taken out. Exhibit P2(f1) The total payment on that day was ₹ 922-6-1 - 440 whole rupees were put in that day. Deducting these the balance of whole rupees will be 738 which has disappeared. The total [illegible] of the day was 1582-10-[illegible] Exhibit P77(1). The single lock increased by 22-4-1. Deducting this, the balance would be ₹ 1560-6-1 - small and uncurrent coins put in that day was ₹ 113-0-0. This would give a balance of ₹ 1447 out of receipts. This together with ₹ 738 will give a total of 2185₹. 198 notes of 10 ₹ 41 notes of 5 ₹ working to a total of 2185 ₹ have been put in and all these notes could not have been got out of the days collections. Withthese the balance at the close of 7-12-26 rose to 643 in 10 ₹ and 789 in 5 ₹ notes as against 600 notes of 10 ₹ and 700 notes of 5₹ shown in exhibit P 25. On 8-12-26, 43 notes of 10 and 85 notes of 5 are taken out. Leaving a balance of 600 notes of 10 and 700 notes of 5 ₹ and these were available on 9-12-26 when the remittance was tested. From 3-12-26 to 9-12-26 both days inclusive, the 3rd accused was in charge of the treasury and has initialled the entries in the place where the sheristedar had to sign. On 6-12-26, under 10 ₹ notes against put in -

109 notes and 190 Rupees had been originally entered and these entries are scored of and 130 notes and 1300 ₹ are written in red ink and initialled by the 3rd accused.

Further Examination in Chief adjourned to tomorrow.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
22-6-1927.

23-6-27

Recalled for further examination in Chief and duly affirmed. Close scrutiny and comparison of the entries made in the day double lock Register from 15-6-25 up to 9-12-26, and the Invoices of Remittances and the examination of the several circumstances already referred to in the course of my evidence, point to the conclusion that by 19-11-1926, there were 600 notes of 10 and 500 notes of short in the Taluk Treasury. The following are the reasons for this inference. Taking the notes of 10 ₹ - in the remittance sent on 1-12-25, there were 200 notes of 10 ₹ - Until the balance in 10 ₹ notes in the double lock rose to 265, on 14-12-25, the remittance was not shroffed. Between 15-12-25 and 12-1-26 which is the date of next remittance, the lowestbalance in 10 ₹ notes reached was 300. From 12-1-26 to 24-2-26, the balance in 10 ₹ notes is above 300. On 25-2-26 in the remittance sent, there are 400 notes of 10 ₹ and the balance in the double lock after the remittance is only 46. By 11-3-26 when the remittance was tested the balance of 10 ₹ notes in double lock rose to 738. Between 11-3-26 and 18-3-26 when there was no remittance pending testing in the District Treasury, the lowest balance reached was 700. On 18-3-26 in the remittance sent, there were 403 notes of 10 ₹ and the balance in double lock after remittance sent was 400. After the balance in the double lock rose to 502 the remittance was tested on 23-3-26. Between 23-3-26 and 28-4-26, there were no remittances pending in the District

District Treasury and the whole shortage must be i[illegible] lock box- during this period, the balance in 10 [illegible] no goes below 802. On 28-4-26 in the remittance sent th[illegible] 900 notes of 10 [illegible] and 353 was the balance in the doub[illegible] box after the remittance was sent, until it rose to [illegible] Remittance in the District Treasury was not tested [illegible] is the opening balance on 17-5-26 on which date the [illegible] was tested. Between 17-5-26 and 29-5-26, the balance in the double lock in 10 [illegible] notes never goes below 603. In the remittance sent on 29-5-26, there were 500 notes of 10 [illegible] and the balance after remittance [illegible] in double lock was 200. After this balance rose to 617 the remittance was tested 23-6-26. Between 23-6-26 and 26-6-26 when there were [illegible] remittances pending in the District Treasury, the balance the double lock is never less than 670. In the remittance sent on 26-6-26, 540 - 10 [illegible] notes are sent and the balance after remittance was 103. After this balance rose to [illegible] the remittance was tested on 29- -26 , between 29-6-26 and 29-7-26 there were no remittances pendin[illegible] in the District Treasury. The balance of 10 [illegible] notes in the double lock i[illegible] above 612. In the remittance sent on 29-[illegible]-26 600- notes o[illegible] 10 [illegible] are sent. The balance after remittance was 91, Until the balance rose to 609, the remittance was not tested. The listing was on 18-8-26. On 11-8-26 and 17-8-26, there [illegible] a conversion of whole rupees into notes. Between 18-8-26 and 31-8-26, there was no remittance pending in the Distr[illegible] Treasury and the balance is above 609. On 31-8-26, in the remittance, 700 notes of 10 [illegible] are sent. [illegible]rtil the balance in double lock box rose to 601, the remittance was not tes[illegible] ---- The testing was on 9-9-26. On 6-9-26 and 7-9-26, whe[illegible] rupees are converted into notes and the balance in 10 [illegible] notes has been raised. Between 9-9-26 and 29-9-26 when there were no remittances pending in the District Treasury. The balance in the double lock is above 601. In the remittance

sent

sent on 28-9-26, there were 700 notes of 10 ₹. After the balance rose to 823, the remittance was tested on 25-10-26. Between 25-10-26 and 30-10-26, whenthere were no remittances pending, the balance is above 823. On 30-10-26 in the remittance sent, there were 700 notes of 10 ₹ and the balance after remittance was 200. After this balance rose to 769, the remittance was tested on 13-11-26. whole rupees are got on 10-11-26 and on 11-11-26 and 12-11-26, whole rupees are converted into notes of 10 ₹ and the balance in notes raised. Between 13-11-26 and 20-11-26 when there were no remittances pending in the District Treasury, the balance was above 700. In the remittance sent on 20-11-26, there was 800 notes of 10 ₹ and the balance after remittance was only 16 - This remittance was tested on 25-11-26 on which date opening balance was 600 notes. When the notes of 10 ₹ got in the [illegible] receipts were insufficient, on 3-12-26, 6-12-26 and 7-12-26 whole rupees are converted into notes and the balance has thus been raised. Between 9-12-26 and 21-12-26, when there were no remittances pending in the District Treasury untested, the balance in 10 ₹ notes is above 600. In the remittance sent on 21-12-26, there were 600 notes of 10 ₹. So in all the remittances referred to the number of 10 ₹ notes is above 600. Between 29-7-26 and 21-12-26, there were 600 or more 10 ₹ notes sent with the remittances to the District Treasury. Particularly during the days on which whole rupees were converted into notes, the remittances are not tested until the balance in 10 ₹ notes rose to 600. These indicate to my mind that 600 notes of 10 ₹ were short in the Treasury during that period. On 21-12-26, the remittance contained only 600 notes of 10 ₹ and the balance in the Taluk double lock was tested by the District Treasury Officer on 22-12-26 and certified as correct. So the shortage which had accumulated by 29-7-26, was 600 - in 10 ₹ notes. It was 200 by the end of 1926. From January 26 to 29-7-26, it has risen from 200 to 600. Between 29-7-26

and

and 29-11-26, the balance remaining after/receipt of the
double locks box was far below to cover the/ [illegible]
During this period i.e. between 20-7-26 and [illegible]
remittance in 10's notes is always above 600 and above, [illegible]
cient to cover the shortage in the Treasury. The infer[illegible]
is that during the above period, the remittances were short
by 600 notes of 10's, so far as notes of 10's are concerned.
During the period when the balance ought to be in the double
lock i.e, when there are no remittances pending, the balance
in 10's notes, never goes below 600. There is a general
tendency to collect notes of 5 and 10 and to use them sparingly,
and in consequence high balances are maintained in notes of
5 and 10's. The Comptroller has also noticed this high
balance as noted in Exhibit P[illegible] From January 1926 to [illegible]-7-
26, the shortage in 10's notes has slowly begun to [illegible] In
the Remittance sent on 1-12-25 there were [illegible] notes of 5's
when the remittance was tested on 15-12-25, the [illegible]
the double lock was 627. Between 15-12-25 and [illegible]
lowest balance in 5's notes remitted was 600. On [illegible]
600 notes of 5's are sent in the remittance. This remittance
was tested on 11-3-26. The balance in 5's notes was 1294
in the double lock box. On 18-3-26 - 10004 notes of 5's
are sent. On 23-3-26 when this remittance was tested, the
balance in the double lock was 751. Up to 28-4-26, the
balance in double lock was above this figure on 28-4-26,
1700 notes of 5's are sent in the remittance and the balance
after remittance was 645. On 17-5-26, the remittance was
rested the balance that day in 5's notes was 1230. Up to
29-5-26, the balance is above this figure in the double lock
box. On 29-5-26 1004 notes of 5's are sent with the remi-
ttance and the balance after remittance was 300. On 23-
when this remittance was tested, the balance was 1228 in
notes - Up to 26-6-26, the balance is above this figure-
In the remittance sent on 26-6-26 - 1000 notes of 5's [illegible]
sent

notes in the remittances is sufficient to cover the shortage. On certain dates referred to already the balance in the double lock after remittance would be less than 500. Therefore the inference is that in regard to 5 notes also in the remittance 500 notes must have been sent short, and this shortage - 500 continues from 15th December 1925 up to 29-11-26 - with these additional circumstances available in 1926 it is possible to fix the shortage more accurately in 5 and 10 notes on 1-12-25 when the remittance was sent to District Treasury It will be 200 notes in 10s and 500 notes in 5s - the total would be 4500s.

Further examination-in-Chief adjourned to as it is 5-30 P.M. now

Read and admitted correct.

Sd/ G.
City Magi

24-6-27

Recalled for further Examination

affirmed. On 12-11-26, the 5 notes of 100s p[illegible] cel[illegible] true. The two notes of 100s taken out on 10-11-26 could not have been used on that day because there is a single payment of 15s only. So manupulations in 100s notes appear on these dates. On 1-12-26, the balance in 10s notes was nil- Therefore the shortage in 100 s notes must have been transferred elsewhere. In the remittance sent on 29-11-26, there are 700 notes of 10 s and it is only after the balance reached 700 in the double lock on 8-12-26, remittance was tested on 9-12-26. Therefore the short[illegible] in 5s notes appears to have increased to 700. To re[illegible] balance to 700 there were manupulations on 3-12-26 and 7-12-26 on which dates whole [illegible] are - notes of 5s and 10 on 3-1 notes in double l was 410. and 55 notes of re taken o transactions, 5 s of 10 a

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50 notes of 10 and 5 notes of 100 have disappeared Exhibit P2(g1). The total payment on that day was only Rs 568-3-0 Therefore Rs 500 in 100 notes and Rs.500 in 10 notes could not have been used up to make a payment of Rs 568-3-0. Therefore manipulations are visible on 13-12-26 also. Exhibit P 77(a) is the entry in Jewakhirch Register on 13-12-26. Total receipts on that day was Rs 640-8-0 and the decrease in the single lock was Rs 63-10-3. The total will be 1704-3-0. The total will be of the small and uncurrent coins put in was Rs 778-0-0. Deducting this the balance would be Rs 926-3-0. On that day no notes of 5 and whole rupees are taken out from the double lock. So the notes of 5 and whole rupees put in must be out of the days collections But as against Rs 926-3-0 referred to above 1160 whole rupees and 36 notes of 5 are put in. Therefore these figures also appear to be false. Either 5 notes of 100 or 50 notes of 10 have disappeared on that day and the manipulations are the result of this. On this day i.e. 13-12-26, the 3rd accused was in charge of the Treasury and has initialled the entries. He was in charge of the Treasury from 3-12-26 to 17-12-26. On 20-12-26 1980 whole rupees were taken out from the double lock box and 300 whole rupees were put in at the end of the days transactions. Exhibit P2(h1) at the end of the days The balance of 1680 whole rupees has been completely used up. The total payment on that day was only 765-10-0. Exhibit P78(d). Assuming that all the payments were in whole rupees after payment, 915 whole rupees ought to have remained - but they have disappeared. The total receipts of the day was Rs 1569-9-10 and the increase in single lock was by Rs 19-13-10. Deducting this the balance will be Rs 1549-10-0. Total of small coins, uncurrent coins and 10e/- notes put in was Rs 534. Deducting this, the balance will be Rs 1015 - As against this Rs 1990 worth of notes have been put in - All these notes could not have

F. VI. 6(j)

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SUBJECT.....

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Section Rev.

File No. 15-27

Serial No. 10

No. R 4953

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *192*

To The Dep. Com^r Mysore DC

Sir,

Date of issue 6-1-28

Signed by Mr. J. R. S. Leyden

With refce to [illegible]
enclosing with your letter No. C.C.[illegible]
dt 9-12-27 re: Mysore taluk [illegible]
Defalcation case, I am [illegible]
to request you to kindly [illegible]
through the Dep. Com^r
your final report in the
matter of assessing [illegible]
liability for the [illegible] due super-
vising [illegible] officers [illegible]
with [illegible] for making
good the loss pertaining
[illegible] in relation of
the [illegible] Computed.

List of enclosures.....

Copied by .....

Examined by .....

R 4953 dt. 6-1-28

W.D.0928—G.P.P.—80,000—26-5-27

Copy to

W. [illegible] letter No. [illegible]

OFFICE OF THE REVENUE COMMISSIONER
IN MYSORE.

Bangalore....10th

FROM

G. D'SOUZA, Esq., B.A., B.L.,
REVENUE COMMISSIONER IN MYSORE.

The Chief Secretary to the Government
of His Highness the Maharaja of Mysore,
Bangalore.

SIR,

I have the honor to forward herewith copy of [illegible] in Mysore Sessions Case No. 10/27-28 in regard to the embezzlement of Rs.13,000/- that took place in the Mysore Taluk Treasury between the years 1925 and 1927. The conclusions arrived at by the Sessions Judge are identical with the opinion as first arrived at by me as soon as I enquired into the matter, viz., that the modus operandi of the embezzlement was to utilise currency notes in the Treasury and make false entries in the accounts and cover up traces of embezzlement by showing that those amounts had been sent to the District Treasury and keeping one of the boxes unexamined for a long period by delaying sending the shroff. As the Sessions Judge has shown in his judgment, if the officers who inspected the Treasury had taken the trouble to pursue the trifling error that was pla[illegible] in regard to the amount sent to the District Treasury, the fraud could have been detected much earlier. The [illegible] Treasury Officer who seems to have suspected that something was wrong was the late Mr. Basavaraj Urs who strongly objected to the delay in the sending of the boxes but nothing seems to have been done to put a stop to this improper practice. The Sessions Judge has shown conclusively that the Amildar, Mr. Rajagopalachar, beyond being guilty of carelessness, had no connection with the fraud. There is no doubt that there has been gross carelessness on the part of the Amildar and the Inspecting Officers and as the Sessions Judge has dealt exhaustively with all the evidence, there is nothing to be elucidated by further enquiry on my part. I submit the case for further orders of Government. In view

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Officer inspected the Taluk Treasury on 17-6-25 and certified to the correctness of the balance. The remittance of 16-6-25 was pending checking in the District Treasury then.

18. P.W2 is the Gollar of the Taluk Treasury by name Hanumanta Rao. He has deposed that whenever the double lock box was opened the 1st and 2nd accused would both come to the Treasury room and P.W2 or P.W5 Javara would open the double lock box. When rupees or other heavy coin had to be brought out, either P.W2 or P.W5 would get into the box and take out the bags required and hand them outside. The 1st accused himself would take out the notes from the tin box or the bag. P.W2 has never taken out the notes himself at any time. After the coins and notes are taken out, the double lock box is locked in the presence of the Sheristedar and shroff and the keys would be handed over to them respectively. The double lock register was being written up by the 1st accused but subsequently as per orders of the District Treasury Officer this was being written up by the 2nd accused. The double lock register would be kept by the 1st accused during the time the 2nd accused was sheristedar and the 1st accused would keep it in kx his drawer when going home. The new sheristedar P.W4 would keep it in the Treasury room itself. Ex Exhibit P1 double lock register is written by the 1st accused and exhibit P2 by the 2nd accused. The 1st and 2nd accused would be in the Treasury room when notes and money would be put into the remittance boxes. [redacted] P.W2 has not counted the bundles of notes at any time. P.W5 would pack the boxes and the 1st accused would be engaged in packing up the boxes and P.W2 would attend to current work during the time. The Nagadi Gumasta would prepare the invoice according to the details furnished by the 1st accused on a paper. P.W5 would go to the District Treasury for shroffing small coin and the 1st accused would go for shroffing whole rupees and currency notes. P.W2

would

accused opened the Treasury room and conducted the transactions till 4 P.M.when he closed the treasury and took the keys. The 1st accused was absent on leave on 5,6,7 and 8th of March. P.W4 took charge on the 7th March and P.W3 did not see him checking the treasury cash in detail after taking charge. P.W3 was on leave on 14,15,16 and 17th March and again from 24th March to the end of the month.

22. P.W20 Mr. A.S. Khaleel Revenue Probationer was attached to the Mysore Taluk. He wanted to know the procedure of sending remittances to the District Treasur from the Taluk and asked the 2nd accused 2 or 3 times. 2n accused did not show him this at all so long as the witnes remained in the Taluk but orally explained to him the whol procedure. When the 3rd accused was in charge P.W20 aske him how to count the money in the Treasury. The 3rd accu took him with the 1st accused and P.W2 and opened the doub lock box. 1st accused got into the box and the 3rd accuse held the double lock register. The 3rd accused would rea the details of money in the double lock and the 1st accuse would count the bags and say they were all right. He did the same with the notes. While counting the notes he dro dropped the bundles twice or thrice. P.W20 thought he ha too many in his hand and had dropped them. P.W20 however did not understand the procedure of counting money in the Treasury that day. P.W20 has deposed that P.W2 was pres there at the time.

23. P.W2 has given a clearer account of what happene that day and thereafter. At about 5 or 5.30 P.M. 1st and 3rd accused and P.Ws 2 and 20 went into the Treasury room The 1st accused counted the notes in the double lock box. He counted the bundles as they were. He counted the five rupee notes as ten rupee notes. P.W2 observed this

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from the District Treasury asking the shroff to be sent to the District Treasury at 11 O'clock on 7-9-25.for shroffing the remittance ~~was~~ sent on 31-8-25. But this remittance was shroffed on 12-9-25. I see Exhibit P44 which is an ~~orders~~ dated 6-10-25 asking the shroff to be sent for shroffing on 7-10-25 at 11 O'clock This refer to remittance sent on 28-9-25 which was shroffed on 13-10-25 exhibit P~~25~~7. I see exhibit P45. It is an order dated 5-12-25 to send shroff on 7-12-25 to shroff the remittance sent on 1-12-25 for 15000 R. This was shroffed on 15-12-25. Exhibit P28. I see exhibit P46 - This is another order dated 9-8-26 from the District Treasury Officer to send the shroff on 10-8-26 for shroffing the remittance sent on 29-7-26. This was shroffed on 18-8-26. Exhibit P47 is the receipt for final testing of this remittance. I see exhibit P48 dated 3-9-26 Order from District Treasury Officer to send shroff on 4-9-26. The remittance relating to this was shroffed on 9-9-26. I see Exhibit P49. It is a copy of the Muzroi Commissioner's order re: transfer of grant to Sri Parakalamutt from Seringapatam to Mysore Taluk, sent to the Amildar through the Sub Division Officer. An R.R.T.R. No. 87 dated 12-11-1926 for 17320-8-0 was sent with the above order to the Amildar and he was requested to cash and pay the ~~Taxki~~ Tasdik to the Mutt. This was received by the Head Gumasta (3rd accused) and sent to me. I have remarked on this ascertain what is the Tasdik to be paid monthly to the Mutt ~~from~~ from this Taluk. A reference was made by me to the Deputy Commissioner on 21-12-26 ~~retaining~~ returning the R.T.R. for countersignature of the Deputy Commissioner and further orders. - Exhibit P50. The Deputy Commissioner returned the R.T.R on 22-12-26 after signing the R.T.R. Exhibit P50(a). This was received by the 2nd accused on 23-12-26. The 2nd accused has noted the receipt of the R.T.R. and initialed the entry. On 27-12-26 a report was submitted to the Deputy Commissioner by the 2nd accused signing 'For Amildar' that the amount of the R.T.R. was credited to the mutt funds and requested orders on certain points Exhibit P51. Exhibit P52 is a circular by the District Treasury Officer, dated 4-12-26 but received on 8-12-26 requesting that remittance of all surplus

cash

in the Treasury should be sent to the District Treasury before the 13th December 1926. I see exhibit P53. It is a copy of comptroller's circular dated 1-9-26 but received on 7-9-26 with Deputy Commissioner's memo dated 6-9-26. In this remittance of all surplus amounts in the Treasury was asked to be sent. I see exhibit P54. This is an order from the District Treasury to send remittance of surplus cash to the District Treasury with the shroff keeping only necessary amount for transactions. This is dated 11-1-27. It was received by 2nd accused on 12-1-27. I see exhibit P2 on 11-1-27, the closing balance was 31109Rs. On 12-1-27, a remittance of Rs 7050 only was sent, consisting of small coins and 25 - one rupee notes. Exhibit P55 is the Invoice and Exhibit ~~Exx~~ 55(a) is the District Treasury acknowledgment for 5 boxes. A balance of Rs 21650 was ~~Ex~~ left in the double lock on 12-1-27, of this 18650 Rs consisted of currency notes and Rs 3000 in cash. On 5-2-27 there was a balance in double lock box of Rs 36250/-. On 7-2-27, a remittance of Rs 10900 in rupees and small coins only was sent to the District Treasury. Exhibit P56 is the Invoice relating to this. The balance left was Rs 23955 - consisting of currency notes of the value of Rs 21755 and 2000 whole Rs and 200 Rs - small coin. On 7-2-27 currency notes - 47 of 10Rs - 146 of 5Rs, cash whole rupees 880Rs and small coins 600 were put in double lock. The closing balance that day was Rs 26635 in double lock. The opening balance on 18-2-27 was 51591Rs in double lock, consisting of Rs 44775 in currency notes, 5680 whole rupees and the remaining small coin. On 18-2-27 a remittance of 25000 Rs was sent to District Treasury - consisting of 23000 Rs in currency notes and 2000 whole rupees. Exhibit P57 is the Invoice for this remittance. A balance of Rs 25141 was in double lock, on 18-2-27, - out of this 20305 was in currency notes, 3000 whole rupees and the rest small coin. That day we put in 51 of 10Rs notes, 50 of 5Rs notes and 900 whole rupees a total of 1660Rs - The closing balance of that day was Rs 26801-0-0, The total amount of currency notes being Rs 21065 and 3900 whole rupees and the rest small coin. On 4-3-27, the opening balance was Rs 81896 - Remittance was sent that day for Rs 62500 consisting of currency

I do not remember if there were orders not to send remittances at the end of the month. Exhibit P34 specifically says that the shroff should be sent the next day i.e. 22nd at 11 A.M and continue to attend till the remittance is checked. Exhibit P34(b) is the order. I see exhibit P35. It is an order from the District Treasury Officer dated 2-5-25 for sending the remittence on 5-5-25 But the remittance has been sent on 16-5-25. Exhibit P35 bears the initials of the 2nd accused. I see exhibit P 36 - order from District Treasury Officer dated 22-10-25 directing that remittance should be sent before 24-10-25, but remittance was actually sent on 27-10-25 - Exhibit P37 is an order dated 17-11-25 for the remittance being sent before the 20th idem, but remittance was actually sent on 1-12-26. Exhibit P38 is an order dated 5-2-26 for remittance to be sent before 25th of that month. It is also written that the matter should receive the personal attention of the Amildar. This was referred to the Sheristedar on 6-2-26. Remittance was not sent. So there was a reminder exhibit P39 from District Treasury dated 16-2-26. The remittance was sent on 25-2-26. Exhibit P40 is an order dated 30-3-26 asking for remittance being sent before 5-4-26. The remittance was actually sent on 28-4-26. Exhibit P41 is an order dated 8-7-26 for remittance being sent before 12-7-26. The 2nd accused has initialled this. ~~(The remittance was actually sent on 28-4-26. Exhibit P41 is an order dated 8-7-26 for remittance being sent before 12-7-26. The 2nd accused has initialled this.)~~ The remittance was sent on 29-7-26. Remittance for Rs 20825 has been sent on 29-7-26. Exhibit P42 is the Invoice signed by 2nd accused Exhibit P42(a) is the District Treasury acknowledgment for 6 sealed boxes being received. Further examination in chief reserved for want of time.

Read and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
7-5-27

Recalled for further examination-in-chief and Solemnly affirmed.

I see exhibit P43. It is an order dated 5-9-25 from

be taken up immediately on receipt and there should be a detailed examination of the currency notes (Articles 602 (a) & (f) and 603, Mysore Account Code - Vol. II).

(3) The cash boxes should be opened and the cash bags weighed immediately in the presence of the Treasury Officer (Article 602 b 5) though the detailed examination of the cash may take a number of days during which period the remittance should be kept in the strong room and treated as part of the cash of the Treasury (Art. 602 c).

(4) The Shroff accompanying the treasure should not have access to the box containing the untested remittance independently of the Treasury staff though he may be permitted to put a lock on the said box.—

(5) During treasury inspections, the impress and other cash balances should also be simultaneously examined so that frauds may not be covered from temporary borrowing from other sources.

nee

Chief Secretary to Government.

To the Deputy Commissioners of Districts.

R 1838-9 dated 5/11/20

M e m o .

Copy of the above is forwarded to the Revenue Commissioner in Mysore and the Comptroller to Government through the Finl. Secretariat.

By order,

R 1829-37/ [illegible] 15-27.

dated 15/9/27 Circular. (63

In his Circular No.C.C.60/26-27 dated the 28th April 1927 the Revenue Commissioner in Mysore has issued instructions in regard to the keeping and checking of cash in the Treasuries and holding of surprise inspections by the Deputy Commissioners and Sub Division Officers in addition to the usual inspections prescribed by the rules. In their order No.R.1190-200/R.M.10-27-1 dated the 13th August 1927, Government have also issued revised instructions in regard to the inspection of the Taluk Treasuries by the above officers.

With a view to prevent the mixing up in the Treasury of cash other than the regular Treasury cash and shortage in Treasury balances both in cash and in currency notes, such as has recently happened, and the consequent loss of Government money, Government are pleased to issue the following further instructions:-

921

(1) The Treasury Officer remitting the treasure should see that bags containing cash and currency notes are placed in suitable remittance boxes and that the boxes are sealed in his presence (Articles 586 and 592 of Mysore Account Code - Volume II).

(2) At the receiving Treasury the examination of the remittance should be

APP. F. VI. Gl.]

65

SUBJECT.....

Section Rev

File No. 15-27

Seria No. 3

No. R 1923 Rev

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *192*

To

.....

Dear Sir,

Date of issue 17-9-27

I am desired to forward herewith a copy of the charges framed & the depositions of witnesses in the City Magistrate's Court, Mysore in connection with the Mysore Th Treasury Defalcation Case. I am to request that the same may kindly be returned when done with. ~~after perusal~~.

Signed by Mr. I. K. S. Iyr

List of enclosures.....

Copied by.....

Examined by.....

Yours faithfully,

I. K. Iyer

17/9

I. K. Iyer Asst Secy

over

WD 0562—GPB—31,000—17-8-25

D. O. No. 20

Enc. One file

2347 66

31.10.27

GOVERNMENT ADVOCATE'S CHAMBERS,
PUBLIC OFFICES,

Bangalore, 28th October 1927.

Rev 1527-4

29/10

29/10

Dear Sir,

With reference to your D.O. letter No.R.1923 dated the 17th September 1927, I am returning herewith, as desired, the copies of the charges framed and the depositions of witnesses examined by the City Magistrate, Mysore, in connection with the Mysore Taluk Treasury Defalcation Case. The application filed by accused Honnaiya, for transfer of the said case from the file of the City Magistrate, Mysore was heard before the Chief Court on the 19th ultimo, and was dismissed.

Yours sincerely,

N. Madhava Rao, Esq., B.A., B.L.,
Chief Secretary to the Government
of H. H. The Maharaja of Mysore,
BANGALORE.

witnesses will be [illegible] as required, [illegible]

The procedure will be adopted till cases one and four are completed. After judgment, the necessity to try the other cases will be considered and instructions will be sought from Government as above referred to.

"Copy"

For Deputy Commissioner, Mysore Dt.

In the Court of the City First Class Magistrate, M y s o r e.

C.C.No.472 of 1926-27

Complainant:- Government

Vs

Accused:- 1. Honnish,
2. Venkata Raghava Iyengar
3. Srikantiah.

Charges framed against the accused on 16-7-1927.

1st Trial against accused 1 and 2.

472 a. That you 1st accused Honnish and 2nd accused Venkata Raghava Iyengar between 15th June 1925 and 28th April 1926 being Shroff and Sheristedar respectively, in the Mysore taluk Treasury and being in your capacity as such public servants entrusted with, and having dominion over the money in Mysore Taluk Treasury committed criminal Breach of Trust, in respect of a gross sum of about Rs.5735/- an offence punishable under Section 409 Indian Penal Code with the cognisance of this court and I hereby direct you etc.,

11nd Trial against accused 1 and 2.

472 b. That you 1st accused Honnish and 2nd accused Venkata Raghava Iyengar between 29th April 1925 and 5th March 1927 being Shroff and Sheristedar respectively, in the Mysore Taluk Treasury, and being in your capacity as such public servants entrusted with, and having dominion over the money in the Mysore Taluk Treasury committed Criminal Breach of Trust in respect of a gross sum of about Rs.6765/- an offence punishable under Section 409 Indian Penal Code with in the cognisance of this Court and I hereby direct you etc.,

111rd Trial against accused 3rd only.

472 c. That you 3rd accused Srikantiah on 9th December 1925, being Head-gumasta and incharge Sheristedar, in the Mysore Taluk Treasury and being in your capacity as such public servant entrusted with, and having dominion over the money in the Mysore Taluk Treasury committed Criminal Breach of Trust, by

P.T.O.

by dishonestly using or disposing off a sum of about Rs.9500/- with the active aid and support of Shroff Honniah in violation of the prescribed mode in which such trust had to be discharged and thereby committed an offence under section 409 Indian Penal Code etc.,

IVth Trial against accused 1 and 3 with 2 counts.

(a) 472 d. That you 1st accused Honniah, and 3rd accused Srikantiah, on 13th December 1926, being the Shroff and Head-gumasta and incharge Sheristedar respectively in the Mysore Taluk Treasury and being in your capacity as such public servants entrusted with and having dominion over the money in the Mysore Taluk Treasury committed Criminal Breach of Trust in respect of a sum of Rs.500/- by dishonestly misappropriating or converting to your own use and thereby committed an offence under Section 409 Indian Penal Code, etc.,

(b) That you 1st accused Honniah and 3rd accused Srikantiah on 14th March 1927, being Shroff and Head-Gumasta and incharge Sheristedar respectively in the Mysore Taluk Treasury and being in your capacity as such public servants entrusted with and having dominion over the money in the Mysore Taluk Treasury committed Criminal Breach of Trust by dishonestly using or disposing off a sum of Rs.13000/- in Currency Notes of Rs.5/- and 10/- in violation of the prescribed mode in which such trust had to be discharged, and thereby committed an offence under Section 409 Indian Penal Code.

Sd/-K. Srinivasa Iyengar,
Public Prosecutor.

" C O P Y "

for Deputy Commissioner,
Mysore District.

IN THE COURT OF THE CITY MAGISTRATE, AT MYSORE.

CASE NO. 472 of 1926-27.

Deposition of Mr. V.S. Rajagopalachar 1st witness for prosecution

Father's name Sreenivasachar.

Age 57 years.

Caste Sreevishnava Brahmin.

Occupation Retired Amildar of Mysore Taluk.

Residence. Mysore.

ON SOLEMN AFFIRMATION.

By the Prosecuting Inspector.

I have been Amildar for about 14 years. I took charge of the Mysore Taluk on 15-8-1923. When I took charge, the 2nd accused Venkataraghavlengar was the Taluk Sheristedar, The 1st accused was the Shroff, one Gundappa was the Head Gumasta. The 3rd accused Srikantiah took charge as Head Gumasta, of the Mysore Taluk, a little more than 2 years ago. Sreenivasa Rao was the Nagadi Gumasta when I took charge and he still continues as such. Ramsantha Rao and Venkatesiah have been Gollars in the Taluk Treasury ever since I took charge. One Javara, has been mashalchi in the Taluk Treasury all along. All the above were working in the Treasury. The Head Gumasta will be in charge of the Treasury whenever the Taluk Sheristedar is on leave or other duty. The 3rd accused Srikantiah has been in charge of the Treasury for the 2nd accused on several occasions. I cannot say who will be in charge of shroff's work during his absence. The Sheristedar makes the arrangements. The Taluk Sheristedar is the Treasury Officer directly in charge of the Taluk Treasury and he conducts all the transactions and maintains all the accounts connected with Treasury. He ~~certified~~ certifies the daily transactions and balances. The shroff handles the money in the Treasury. The Gollars assist the shroff in carrying bags and boxes and generally help the shroff. The mashalchi also carries the bags and boxes and helps the shroff. The nagadi Gumasta keeps all the accounts. There are sepoy guards in the Treasury who guard the Treasury at all hours. There is a separate closed room for the Treasury in the Taluk Office. That room is provided with double locks. Every day these locks are sealed. For each lock there is one key. One key will be with the shroff and the other key with the Taluk Sheristedar. Both the shroff and

and the Sheristedar should go together and open the Treasury e[illegible]y [illegible]. The sepoy on guard will be present when the seals are removed and the locks opened. In the Treasury chamber there are (1) a big double lock box (2) a single lock box of the shroff (3) an imprest box (4) Ganja and opium boxes and (5) Temple articles box. The double lock box contains, coins and currency notes. The double lock box has 2 locks, The key of ~~xx~~ one lock will be with the Sheristedar and the key of the other with the Shroff. These locks are not sealed. The single lock box has got one lock. That also contains coin and currency notes. The key of this lock is with the shroff. The opium and Ganja boxes are sometimes not locked. The temple jewel boxes are always sealed. The 2nd accused was in charge of the 2 keys namely of one of the locks of the Treasury chamber and another of one of the locks of the double locks box. I have seen these keys. These two keys were in one ring and this ring was in the Sheristedar's possession. The key of the bonded depot and the Treasury seal were also with the 2nd accused. The shroff had 3 keys, one of the Treasury chamber, one of the double lock box and another of the single lock box. He had also the imprest box key The imprest box is also kept in the Treasury room. During the absence of the sheristedar, the sheristedar keys will be in charge of the Head Gumasta who will be in charge of the work. There is a register called Key Register kept in the Treasury. It is not regularly maintained i.e. entries are not made in it every day. The Taluk Sheristedar writes this register. I have intialled the key register just before inspections by higher officers. Since the middle of last December no entries are made in this register. The practice is for the Sheristedar to get my diaries, enter the dates on which I was at Head Quarters and get my initials against those dates. Remittances are sent to the District Treasury occasionally from the Taluk Treasury. The Taluk Sheristedar sends these remittances. I was never present when money was put into the remittance boxes at any time. The remittances are generally sent on requisitions from the District Treasury and also when there are heavy balances in the Taluk Treasury. I do not remember if the Sheristedar obtained my permission at each time remittances were sent. There was no neces-

[illegible]

for this. Whenever remittances are sent Invoices are prepared in triplicates and one copy will be retained in office. The nagadi gumasta prepares the Invoices, the Sheristedar signs them. The 2nd accused has singed all the Invoices during the period he was in charge . The Head Gumasta has also signed when he was in charge once or twice. I see the remittance Invoices. I find that the 2nd accused has signed all the Invoices except a few when the Head Gumasta Gundappa and 3rd accused were in charge. On 1-12-25, 21-12-26 and 4-3-27, the 2nd accused has signed the Invoices of remittances to the District Treasury. Copies of these Invoices are prepared by using carbon paper. I inspect the Treasury on the 1st of every month. I have never examined the Remittance boxes sent to the District Treasury after money is put in them and before they are sent. Whenever money is taken out of the double lock entry will be made in double lock Register mentioned therein the denominations of the different coins and notes taken out. Whenever any amount is put in similar entry is made in the double lock register. There is a Register known as double lock Register. Exhibits P1 and P2 are the Double lock Registers of the Mysore Taluk Treasury. Exhibit P1 commences from 3-7-1923 and ends at 13-4-26. Exhibit P2 commences from 14-4-26 and ends on 30-3-1927. The double Lock Registers have to be written by the Sheristedar and each day's entries initialled by him. The 2nd accused has initialled in both Exhibits P1 and exhibit P2. On some days the 3rd accused has also initialled. After his taking charge Rangasamiengar the successor of 2nd accused as Sheristedar has initialled the entries. The heading in Exhibit P2 of the Double Lock Register is as follows:-

"Double Lock Register of the Mysore Taluk Treasury written by the own hand writting of the Taluk Sheristedar as per Revenue Commissioner's R.Dis 141 dated 25-2-1926." Since then the Sheristedar has written the Register Exhibit P2 is entirely written by the 2nd and 3rd accused only till 7-3-27 and subsequently by Rangasamiengar. Exhibit P1 is not written by 2nd accused but he has initialled it throughout. On 4-3-27 the 2nd accused has made the entries in exhibit P2 and initialled it and on 14-3-27 the 3rd accused has made the entries and initialled

the

the same. On 1-7-25 I inspected the Taluk Treasury and I have certified the balance as 'Examined and found correct'. The entry is exhibit P1(a) - On 16-6-25, a remittance has been sent to the District Treasury. Exhibit P3 is the Invoice of 16-6-25. On this the District Treasury officer has written as follows:- ' Received from Mysore Taluk nine boxes said to contain a remittance of rupees 41910 only with seals intact.' Exhibit P3(a) is this entry. Exhibit P3 is attached to the office copy of the Invoice. On 1-8-1925, I have inspected the Taluk Treasury - Exhibit P1(b) is the entry of my inspection in the Double lock book. The balance I examined was the closing balance of 31-7-1925. On 30-7-25, a remittance of Rs 26440 has been sent to the District Treasury. Exhibit P4 is the Invoice sent to the Treasury along with the Remittance. Exhibit P4(a) is the District Treasury Officers receipt for the 10 boxes sent. On 1-9-25 I have inspected the Treasury, and certified the closing blance of 31-8-25. Exhibit P1(c) is the certificate. On 31-8-25 remittance of Rs 20300 has been sent to the District Treasury. The Invoice relating to this is exhibit P5 and the District Treasury acknowledgment of this is exhibit P5(a). Exhibit P6 is the receipt sent to the Taluk Treasury from District Treasury after testing. The remittance of 31-8-25 was tested finally on 12-9-25 in the District Treasury. The entry 'ಅಂಚೆ ಕಛೇರಿಯವರಿಂದ ಲಗತ್ತಿ' is Exhibit P6(a) and is dated 12-9-25. On 1-10-25 I have inspected the Taluk Treasury and certified the closing balance of 30-9-25. Exhibit P1(a) is the inspection certificate. On 28-9-25, remittance of Rs 30354-0-0 has been sent to the District Treasury. The Invoice is exhibit P7 signed by the 2nd accused. This remittance was finally tested in the District Treasury on 13-10-25 as the Exhibit P8 is the copy of the Invoice filed in the District Treasury in which the entry is made that the remittance was finally tested on 13-10-25. On 1-11-25 I inspected the Taluk Treasury and certified the closing balance of 31-10-25 - Exhibit P1(e) is the certificate A remittance of Rs 29570 was sent to the District Treasury on 27-10-25. Exhibit P9 is the Invoice for this remittance signed by the 2nd accused and exhibit P9(a) is the District Treasury acknowledgment

On 1-9-26 I have inspected the Taluk Treasury. Exhibit P2(d) is the certificate of the balance on that date. A remittance of Rs 21155 was sent to the District Treasury on 31-8-26. Exhibit P19 is the Invoice and exhibit P19(a) is the acknowledgment of 10 boxes of this remittance. The Invoice is signed by 2nd accused. This remittance was ~~xxxxxx~~ shroffed on 9-9-26, Exhibit P20 is the copy of the Invoice filed in the District Treasury and~~x~~ exhibit P20(a) is the endorsement of testing. On 1-10-26, I have inspected the Taluk Treasury. Exhibit P2(e) is the certificate of balance. On 29-9-26, a remittance of Rs 20100 has been sent to the District Treasury. Exhibit P21 is the Invoice relating to this signed by 2nd accused and Exhibit P21(a) is the District Treasury Acknowledgment for 9 boxes. This remittance was shroffed on 25-10-26. Exhibit P22 is the copy of Invoice filed in District Treasury and Exhibit P22(a) is the endorsement of final testing. On 1-11-26 I have inspected the Taluk Treasury. My certificate is exhibit P2(b) A remittance was sent to the District Treasury on 30-10-26 for Rs 20000. Exhibit P23 is the Invoice and exhibit P23(a) is the District Treasury acknowledgment of 10 boxes. This remittance was shroffed on 13-11-26. Exhibit P24 is the copy of Invoice filed in the District Treasury. Exhibit P24(a) is the endorsement of testing thereon. On 1-12-26 I have inspected the Taluk Treasury. Exhibit P2(g) is the certificate of balance. On 29-11-26, a remittance of Rs 20100 was sent to District Treasury Exhibit P25 is the Invoice relating to this signed by 2nd accused. Exhibit P25(a) is the District Treasury acknowledgment for receipt of 10 boxes. This remittance was shroffed on 9-12-26. Exhibit P26 is the copy of the Invoice filed in the District Treasury. Exhibit P26(a) is the endorsement of final testing. On 17-6-25, Mr. G.Rudrappa, District Treasury Officer, inspected the Taluk Treasury and has entered in exhibit P1 that the balance was examined and found correct. Exhibit P1(8) is the entry on 17-6-25 by the District Treasury Officer. On 16-6-1925 there is a remittance of Rs 41910 to the District Treasury. The Invoice is Exhibit P3. On 6-12-25, the District Treasury Officer Mr. Vasudeva Rao, again inspected the Taluk Treasury. Exhibit P1(h) is the

the certificate of balance. A remittance of Rs 15000 has been sent on 1-12-25 Exhibit P27 is the Invoice for this signed by 2nd accused. Exhibit P27(a) is the acknowledgment for receipt of 10 sealed boxes. This remittance was tested finally on 15-12-25 Exhibit P28 is the copy of the Invoice filed in the District Treasury and exhibit P28(a) is the endorsement of final testing. The receipt for this is exhibit P29 and is dated 17-12-25. On 29-4-26 the Sub Division Officer Mr. Abdul Khader has inspected the Taluk Treasury. Exhibit P2(h) is the certificate of correctness of balance. There is a remittance to the District Treasury on 28-4-26 for Rs 66420. The Invoice for this Exhibit P30 is signed by 2nd accused and exhibit P30(a) is the District Treasury acknowledgment for the receipt of 16 sealed boxes. This remittance was shroffed on 17-5-26. Exhibit P31 is the receipt showing that this remittance was tested on 17-5-26. On 18-6-26 Mr. Vasudeva Rao, District Treasury Officer has inspected the Taluk Treasury. Exhibit P2(i) is the certificate of correctness of balance. On 29-5-26, a remittance has been sent to the District Treasury for Rs 42600. Exhibit P15 and Exhibit P15(a) are the Invoice and acknowledgment for this amount. Exhibit P16 is the copy of the Invoice filed in District Treasury. Exhibit P16(a) is the endorsement of final testing on 23-6-26. On 22-12-26, Mr. Basavaraja Urs, District Treasury Officer inspected the Taluk Treasury. Exhibit P2(j), is the certificate of correctness of balance. A remittance was sent to the District Treasury, on 21-12-26 for Rs 17650. Exhibit P32 is the Invoice for this signed by 2nd accused. Exhibit P32(a) is the District Treasury acknowledgment for receipt of 6 sealed boxes. This remittance was shroffed in the District Treasury on 27-12-26. Exhibit P33 is the copy of Invoice and Exhibit R33 is the copy of Invoice and exhibit R33 Exhibit P33(a) the endorsement thereon noting the date of final testing. This is the last inspection by the District Officers. I see the memo of the District Treasury Officer now in court.-- Exhibit P34. I had not seen this before. Below this the 2nd accused has written a reply Exhibit P34(a) and signed for Amildar. This is written on 21-12-26 but there is nothing to show on this that it was sent to the District Treasury Officer.

I

be sent with 1st accused. This requisition was complied with on 10-11-26. Exhibit P61(a) report has been written acknowledging the receipt but not despatched not signed. Exhibit P60 was not brought to my notice. I saw exhibit P61 on 11-11-26 after the amount was received. I see Exhibit P62 - It is an order from the District Treasury to the Amildar to send the shroff for shroffing the remittance sent on 4-3-27, at 11 A.M. on 10-3-27. This is marked 'urgent' in red ink. This has not come to my notice. I see cash book entry Exhibit P63 - dated 15-6-25. On ~~this~~ this date, the Deputy Commissioner has inspected the Taluk Treasury and endorsed as to correctness of balance. On 16-5-25 - a remittance of Rs 46860 was sent to the District Treasury. Exhibit P64 is the Invoice relating to this Exhibit P64(a) is the copy of Invoice filed in District Treasury on which the date of final testing of this remittance is noted as 20-6-25. I inspected the Taluk Treasury on 1-12-25. When I inspected this day some money had already been put into boxes for being remitted to the District Treasury and I did not examined the money in the boxes. The remittance to District Treasury was seen on 1-12-25 - Exhibit P28 . On 1-12-25 I have entered the word 'seen' in exhibit P1 - This is Exhibit P1(i). On 30-11-25 there were 225 one rupee notes in the opening balance in the double lock. The same day 100 Rs of 1 Re/- notes were put in - The total was 325 one rupee notes in the Treasury at the close of 30-11-25 in double lock. This is exhibit P1(j). On 1-12-25, only 225 -one-rupee notes have been sent to District Treasury. The one rupee notes are uncurrent. Uncurrent notes and coins are all to be sent to the District Treasury with remittances. On 18-12-24 order was received re: non-issue of one-rupee notes to the public, Exhibit P65.

Further examination-in-chief adjourned to to-morrow.

Read and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
9-5-1927.

Recalled for further examination-in-chief and solemnly affirmed. I have inspected the Treasury on 1-2-26 and certified

the

currency notes of the value of ₹ 43550 and the rest Rupees and small coins. This remittance consisted of 1600 - ten rupee notes and 3260 - five rupee notes - Exhibit P58 is the invoice relating to this. The District Treasury acknowledgment is Exhibit P58(a). The Invoice is signed by 2nd accused and also by 1st accused. This remittance was shroffed on 14-3-27. Exhibit P59 is the copy of Invoice filed in the District Treasury relating to this. The balance on 4-3-27 after taking out from double locks was ₹ 18785 consisting of 15785 in (currency) and ~~notes~~ consisted of 1000 ten rupees notes and 1000 - 5 - rupees notes. The opening balance of ₹ 81896 on 4-3-27 consisted of 2600 - ten rupee notes, 4265 - five -rupee notes and other notes to make up a total of ₹ 59335 and 17640 whole rupees and the remaining small coins. The entries of 12-1-27, 7-2-27, 18-2-27 and 4-3-27 in exhibit P2 are Exhibit P2(k), Exhibit P2(l), Exhibit P2(m), and exhibit P2(n) respectively. On 14-3-27 I was on casual leave. The new Sheristedar Mr. Rangasamiengar had gone out for a Revenue sale. The 3rd accused was in charge of the Taluk Treasury and has made the entries in the double lock register and initialled the same. Exhibit P2(o) is the entry in Exhibit P2. On the 4 dates referred to above, there were heavy balances in the Treasury even after sending remittances to District Treasury for which there was no necessity. I see exhibit P60. It is a requisition dated 28-11-25 from 2nd accused signing for Amildar to the District Treasury asking for a remittance of 9000 ₹ in notes and Rupees. The remittance of 8000 ₹ was sent from District Treasury consisting of 7000 ₹ whole Rupees and 1000 ₹ in notes. This was sent on 30-11-25. Exhibit P60(a). This was sent with Honniah, 1st accused. On 1-12-25, a remittance of ₹ 15000 consisting of notes and coins was sent to the District Treasury from the Taluk Treasury. In Exhibit P60 the need for the remittance is noted as 'to meet the encashment of bills of all offices on 1-12-25.' I see Exhibit P61. It is a requisition dated 9-11-26 signed by 2nd accused for Amildar asking for a remittance of 6000 whole rupees from the District Treasury to be

+ 2,000 whole rupees. The balance of Rs 15,785 in notes.

the balance as correct Exhibit P1(k). On 1-2-26 the imprest amounted to Rs 5271-1-3 Exhibit P66. The 3rd accused has signed the imprest cash on 1-2-26 for Amildar. I have not initialled the entry on that date. On 1-4-26 I have inspected the Treasury and have certified the balance Exhibit P1(e).On that day there was Rs 4515-10-0 in imprest exhibit P67. This entry on 1-4-26 is signed by 2nd accused as Treasury Officer. On 28-9-25 there was Rs 11409-13-0 in imprest Exhibit P68. The 2nd accused has initialled this entry. On 1-1-27, 7-2-27 and 1-3-27, I have inspected the Treasury. Exhibit P2(p) Exhibit P2(q) and Exhibit P2(r) are the certificates of correctness of balance respectively made by me in the double lock Register. On 1-1-2 the balance was Rs 32765 in double lock, on 7-2-27 it was Rs36250, and on 1-3-27 it was Rs 85661 according to the double lock Register. When I have written in the Double lock Register the words 'Examined and found correct' I have done so, after examining the double lock box. In several places I have simply intialled in the double lock register. This was done simply by looking into the double lock Register to show that I looked into that book to see whether it was properly maintained. During my inspections, both the Sheristedar and the shroff will be present. Sometimes the double lock room will be opened after I go to the Treasury, and some times the room will have been kept open before I go there. The double lock box inside the room will be opened after I go to the Treasury. I keep the double lock Register in my hand. The shroff will count the bundles of currency notes in my presence. The notes are generally kept in a small tin box and when w there are a large numbe of notes, they are kept in a net bag also. The net bag containing the notes and the tin box are both kept in the double lock box. Each bundle of ten rupee and 5 rupee denominations of notes should contain 10 packets, each packet consisting of 100 notes of each denomination. Each bundle of ten rupee notes contains notes of the value of 10000Rs and each bundle of 5-rupee notes contain notes to the value of 5000Rs. Other loose notes not enough to make upa a packet are indevidually counted by the

shroff

shroff in my presence. 100Rs and 50Rs notes will generally be counted by me. If they are very few, the shroff shows them to me and puts into the box. Whole bundles of 10 rupee and 5 rupee notes are not counted by me. The shroff counts the bundles in my presence. When there are less than 10 packets of each denomination of notes, the packets are counted by the shroff and I check the total as per Register. This is the procedure I adopted during my inspections of the Treasury. I do not count the number of packets in each bundle or the number of notes in each packet. I take the number as correct on trust and affix my certificate to the Register. The inspection takes about 20 minutes. As regards coins, one of the bags taken at random will be counted and the correctness of the other bags presumed. On 29-3-27, I counted every coin and every note of all denominations in the Treasury - after the shortage of 13000 Rs was reported to me by the present sheristedar Mr. Rangasamiengar. The Sub Division Officer was also present. I commenced the inspection at 4 P.M. and the inspection occupied till nearly 9 P.M. The balance that day according to the double lock Register should have been Rs 39300-12-0. But on counting I found that the double lock box contained Rs 13000 less. I have noted this defecit in the Register exhibit P2(s). This defecit of Rs 13000/- consisted of 10 rupee notes of the value of 8000Rs and 5 rupee notes of the value of 5000 Rs. I have not checked the imprest amount at any time during inspections. There was actually Rs 26300-12-0 in the couble lock box on 29-3-27. I was on leave from 24-12-1925 to 10-1-26, again from 17-1-27 to 6-2-27, and again from 9-2-27 to 14-2-27. My brother was dangerously ill in Madras in December 1926 and I had applied for 20 days privilege leave in continuation of Xmas holidays. Just before Xmas, my brother himself was brought to Mysore, for treatment by the late Dr.Krishniengar. He did not show any improvement and my leave too was not sanctioned and I had to wait for my leave. Since he was growing worse I obtained permission for leave from the Deputy Commissioner and left Mysore on 16-1-27 to Madras.

From

From about 18th December 1926 I was attending on my brother both at Mysore and at Madras till his death on 2nd February 1927. As I was troubled in mined during this period, I did not do my inspections even as much as I was doing usually before. During the period of my leave the 2nd accused was in charge of the Taluk and Treasury. The order dated 27-2-1927 exhibit P69 of transfer of 2nd accused to Mandya Taluk was received by me on 2-3-27. The order was to the effect that the Sheristedar (2nd accused) should be releived on the 3rd March and that ~~the~~ he should go to his new station before 10th March exhibit P 69(a). I ordered the Head Munshi to show this order to the Taluk Sheristedar (i.e. 2nd accused) and directed that he should hand over the charge to the Head Gumasta 'to-morrow' after the Treasury is closed. Exhibit P69(b) The Sheristedar (2nd accused) has noted on this as seen on 3-3-27 3 P.M. Exhibit P69(c). At the same time on 3-3-27 I issued a memo to the Head Gumasta to relieve the Sheristedar (i.e. 2nd accused)that evening after the Treasury transaction was over Exhibit P70. The 2nd accused had been transferred to Mandya before, in July 1926 as per Deputy Commissioner's memo dated 1-7-26 (Exhibit P71). This order was subsequently cancelled by an order dated 4th July - Exhibit P72. A remittance was sent by 2nd accused to the District Treasury on 4-3-27 - Exhibit P58 for Rs 62500. The 2nd accused told me that he ~~h~~ handed over charge to the Head Gumasta on the morning of 5th. I see exhibit P2 - The 2nd accused has signed the closing balance on 4-3-27 and the 3rd accused has signed the closing balance on 5th. The new Sheristedar took charge on Monday the 7th March. The keys of the Treasury and double lock were not given to me either on the 4th or 5th They must have been with the 3rd accused who had taken charge. From 7th onwards till the 11th double lock Register has been signed by the new sheristedar Mr. Rangasamiengar. On the 11th and 14th March 1927, the 3rd accused has signed the double lock register, Subsequent to 14th the new Sheristedar has signed the Register. On 28-3-1927 an order exhibit P73

P73, was received from the District Treasury to send all surplus money with the shroff the next day at 11 A.M. This was received by the Sheristedar the same day as I was not at Head Quarters. On 29th I returned from Chetnahalli. At about 2 O'clock Sheristedar Rangasamiengar came to me and told me that he wanted to send remittance that day and when he opened the double lock box he found in a small gunny bag, in which they seemed to have kept currency notes three empty net bags and some currency notes of higher and lower denominations and told me that 2 bundles of currency notes - 8000 Rs worth of 10 rupee notes and 5000 Rs worth of 5 rupee notes were missing. He also said that, he waited for the shroff's return to duty that day that the shroff returned to office at ¼ past one on 29-3-27 and on questioning him and reexamination of the box, the shroff denied all knowledge and so he had to report to me. I came at once to the office and saw the gunny bag and questioned the shroff and the Sheristedar why the notes were put in the bag when there was separate tin box for it. The new Sheristedar told me that the shroff told him that ~~the shroff told him~~ that the gunny bag was very convenient when compared with the tin box, or a net bag and so he allowed it to remain there. I immediately reported the matter both to the Deputy Commissioner and the Sub Division Officer. In the meantime I got all the coin in the double lock box removed outside to examine in detail. The Sub Division Officer also came there at once and I examined all the money in detail and found that currency notes of the value of Rs 13000, were missing as already stated. I have certified to this effect in the Register. The Assistant Superintendent of Police was also present at the time and I gave him my report in the matter. Exhibit P74 is my report.

QUESTION. Have you seen the gunnybag before?.

ANSWER. I have never seen it before except on the 29th March.

NOTE. Mr. Krishnaswami Rao objected to the above question as being a leading question so it has been recorded as also the answer. The ~~Police~~ Prosecuting Inspector says it is not leading. I see there

there is no ~~leading~~ objection as I do not consider it a leading question.

(Itd) G.N.
10-5-1927.

On the 26th March, I was engaged in sales and did not attend offic I came home in the afternoon. The 3rd accused with some papers for signature came to me and got those papers signed and then told me that the shroff had applied for a days casual leave. I refused to grant any leave and told him that it was not his business to represent. He went away. On the same evening at ½ past five or so, the shroff himself came to my house and requested for the leave. I told him also that I cannot grant him leave. He represented some difficulties about his visit to some jatra in Mandya Taluk. I then asked him to go to the Sheristedar. He produced the casual leave Register and I found that the Sheristedar had recommended a day's casual leave to the shroff on 28th March. I granted the leave on 28th and sent him ~~sx~~ away. On the 11th and 14th the 3rd accused was in charge of the Treasury as he has signed the double lock Register. The keys of the Treasury on these days were not in my possession. The gunny bag referred to by me above was a small bag about a cubit in length and about a foot wide. The tinbox used for keeping currency notes in the double lock box was a very small box. Its lid had been separated. steel trunk had been purchased about the end of February or begining of March, for keeping currency notes. But that trunk was not used but was kept outside in the Treasury room. Article is the gunny bag in which the three net bags articles 2, 3 and 4 had been put in.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
10-5-27.

No Cross Examination for the present.

Read and Admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
10-5-27.

'Copy'

G. Narayana
City Magistrate
Mysore

IN THE COURT OF THE CITY MAGISTRATE AT MYSORE.

Case No. 472 of 26-27

Deposition of	Hanumantha Rao.	P.W2
Father's name	Srinivasa Venkatesh.	
Age	33	
Caste	Madhwa Brahmin.	
Occupation	Collar, Taluk Office.	
Residence.	Mysore.	

ON SOLEMN AFFIRMATION.

I am a Collar in the Mysore Taluk Treasury for the last 7 or 8 years. I know accused Honniah. He has been shroff in the said Treasury for 4 or 5 years. The 2nd accused Venkataraghaviengar was Sheristedar for 3 or 4 years and 3rd accused Srikantiah was Head Gumasta for 2 or 3 years. When 2nd accused was absent on leave, the 3rd accused looked after his duties. When the shroff goes on leave or ~~kx~~ other duty such as for remittances, I will be in charge of his work. The sheristedar, the shroff myself sit near one another. The shroff and myself sit opposite to the Sheristedar a little to a side of the Treasury. The nagadi Gumasta sits opposite the Treasury door. Two locks are put on the Treasury ddor and the locks are sealed. The key of one of the locks will be with the Sheristedar and of the other lock with the shroff. After it is sealed the Treasury room is guarded by sepoys. Inside the Treasury room, there is a double lock box, Ganja and opium boxes, single lock box and Imprest box. The double lock box is about 3 cubits high, about 4 cubits wide and about 2 ½ cubits broad. This box has 2 locks. The key of one of the locks will be with the shroff and of the other with the Sheristedar. The shroff will have the single lock box key. The Sheristedar will have 2 keys and the shroff 3. The 2nd accused used to put his two keys which are in a ring into a small clothbag -tie its mouth and take it home. The shroff's 3 keys were also enclosed in a ring and 1st accused used to put them into his pocket and take home. The double lock keys were always with the 1st and 2nd accused so far as I have seen. I have never seen these keys with the Amildar at any time. Rupees, notes and small coin are kept in the double lock box. Whole rupees

are

are kept in net bags. 1 anna and 2 anna nickel coins are also kept in net bags. Copper 3 pies and 6 pies are kep in small gunny bags. Small silver coins are kept in cloth bags. Currency notes of the denaminations of 5 and 10 are tied in bundles and kept in a small gunny bag. They were not being kept in net bags. Currency notes of 100 and 500 denominations are not made into bundles but were kept in an old and broken tin box. 1 Rupee notes were also being kept in the same tin box. There was no separate tin box. At the end of February, a new tin box was purchased for keeping notes but the 1st accused did not make use of it saying it was heavy and simply kept it inside the Treasury room. I see article 1. This is the gunny bag in which notes were being kept. Articles 2,3, and 4 net bags are those in which whole rupees were being kept. Article 1 is in the Treasury for the last 3 or 4 years. The Amildar was inspecting the Treasury on the 1st of every month. This gunny bag article 1 used to be thrown outside as it was dirty and the notes used to be arranged in the double lock box itself. Whenever the double lock box was opened both the first and second accused used to come into the Treasury room and have the box opened by Javara or myself. Then when rupees or other heavy coin had to be taken out Javara or myself used to get into the box and then take out the bag or bags containing the coin and hand it outside. The first accused used to take the notes himself out of the bag and the tin box as the bag and box could be handled without getting in being placed above the bags of coin. I have never taken out and handed over notes at any time. 5 or 10 notes are made into packets of 100 notes each and 10 of such packets are tied into one bundle. The first accused used to make up these packets and bundles. I have never done it. After the coins and notes are taken, the double lock box is locked in the presence of the Sheristedar and shroff and the keys used to be handed over respectively to the Sheristedar and shroff. No seal is put on the double lock box locks. There is register for double lock box transactions. This register was

was being written up by 1st accused but subsequently as per Order of the District Treasury Officer the Sheristedar (2nd accused) was writing up this register. The double lock register was being kept with the shroff (1st accused) during the time 2nd accused was sheristedar. The 1st accused used to keep the register in his drawer when going home. The new Sheristedar used to ~~a~~ keep this register in the Treasury room itself. The Treasury is opened every day at about 11 A.M. After it is opened Javara or myself keep the single lock box near ~~the~~ the shroff. The Treasury transaction closes at 5 P.M. During the time the transaction is carried on the Treasury room will be closed and one lock namely that of the Sheristedar will be put on it. The key of this lock will be with the Sheristedar. If the Treasury room had to be opened for taking out Ganja or opium etc., Javara or myself used to open the ~~box~~ lock and take out the article and again lock the door and give the key to the Sheristedar. The double lock register used to be written up in the evening after the close of the transaction. I see exhibit P1. It is entirely written by ~~the~~ first accused. I see exhibit P2 - It is written by second accused. These registers are initialled by second or 3rd accused. Remittances are sent to the District Treasury from the Taluk. Money is put into boxes, the boxes are tied with rope locked and sealed and then sent. Javara and sepoy guard used to accompany the remittance. Sometimes the first accused also used to go with these remittances, but generally Javara used to go. Money and notes are put into the remittance boxes in the Treasury room. The first accused and second accused used to be present in the Treasury room when money was put into the boxes. Javara and myself were also used to be inside to take out rupees and coin One of us ~~had~~ used to stand outside the box and another used to get into the box and hand over the coin bags and one of us who was outside used to put the bags into the boxes. After this the second accused used to send me out to attend to current work of the Treasury outside Viz taking remittances and making payments and entering in the register. I was not taking out the notes.

Javara

Javara used to pack the boxes. I have not counted the bundles of notes at any time. I used to attend to current work outside so long as the first accused was engaged in packing up the boxes inside. The Nagadi Gumasta writes the invoice when sending up remittances. The invoice is written in triplicate. The 1st accused used to give a paper with details of coins and notes sent in remittance. The Nagadi Gumasta used to write the invoice accordingly and written the paper to the first accused. Javara, Hawaldar and second accused used to sign the invoice. The remittancex boxes used to be packed. The day remittances were sent and sometimes the previous day also. For the purpose of getting the remittance checked in the District Treasury Javara used to be sent for shroffing the coin. For whole rupees and notes the first accused himself used to go. I was not going with remittances except when Javara was ill or absent. The Amildar during his inspection was only looking at the groups of bundles and bags and was not actually counting in detail. He was however counting hundred ax and fifty rupee notes himself. He was not counting the bundle of 5 or 10 rupee notes. The inspection used to occupy about 10 minutes. There are registers of Jama and Kharch mentioned in the Treasury. I see exhibit P 75 Jama registers of Sheristedar 1925-26 and exhibit P 76- Kharch register of shroff for 1925-26. Exhibit P75 begins from 31-8-25 and ends on 27-3-26. Exhibit P76 begins from 30-4-25 and ends on 28-11-25. I see exhibit P77. Both receipts and expenditure or entered in this register. It begins from 29-3-26 and ends on 5-10-26. I see exhibit P 78 continuation of exhibit P77. It begins on 8-10-26 and ends on 30-3-27. Exhibit P 75 and P 76 are both written by the 1st accused and myself. The balance is signed by 2nd accused every day. On days when 2nd accused was absent it is signed by 3rd accused or who ever was in charge. The balance is arrived at after the close of the days transactions. During 2nd accused's tennure of office, the or details of balance used to be entered the next day, both for single lock box and double lock box. The details used to be written from the double lock register and from 1st accused's

(Shroff)

(shroff) rough book exhibit P79 for single lock balance. ~~the~~ exhibit P77 and P78 both the first accused and myself have entered the details. The 2nd accused has certified only to the total balance each day. The ನಾಲ್ಕಿನಾಕ details are entered the next day. After the new sheristedar took charge he was not signing till the ನಾಲ್ಕಿನಾಕ details were also entered in the register the same day. Exhibit P 78 (a) is the entry of 24-3-27 after the new sheristedar came. Exhibit P 78(b) is the entry for 5-11-26, signed by 2nd accused. Exhibit P78(c) is the entry for 9-11-26 signed by second accused. Details are written in defferent ink from that of the total balance. The details are in my handwritin I wrote the details from the double lock register and the rough book. The double lock register was ~~mak~~ written on 9-11-26 by 2nd accused. The rough book was written by 1st accused. Exhibit P 79(a) is the entry of details of single lock. I see exhibit P6 incoice for remittance sent on 31-8-25 for Rs 20300/- consisting of 5000 whole rupees 1000 half rupees in box No.1. In No.2 box ~~ak~~ ½ rupee 600 rupees, ¼ rupees - 2700 rupees, 1/8 - 900 Rs, nickle 1400 Rs. In box No.3.100 ten rupee notes, 5 Rs notes, 635 1 rupee notes - 325 - nickle 2 annas 1000 rupees. In box No.4 nicle 2 annas pieces 1100 Rs, In box No.5 nicle 1 anna 1000 rupees in box No.6. nicle 1 anna 1000 Rs In box No. 7 nickle 1 anna 700 Rs and nicle 2 annas 100 Rs. In boxes 8 and 9 copper coins 150 Rs each. Total Rs 20300/- . On 31-8-25, the total amount taken out of double lock box was rupees 24225.- consisting of 100 ten rupee notes - 535 - 5 rupee notes one rupee notes 825m whole rupees 8925, ½ rupees 1600 and small coins. Out of the amount of rupees 24225 taken out from double lock box the amount of remittance was Rs 20300. The balance that remained for transactions of the day was Rs 3925. On 31/8/25 the total receipts of the day was Rs 7499-1? The single lock opening balance that day was rupees 394-11-1. The total amount available that day was Rs 11819-7-8. The payme that day excluding remittance was rupees 3260-15-10. The single lock closing balance that day was Rs 423-7-10. The amount put

into

into double lock box was Rs 8135. The total of these item is equal to Rs 11819-7-8. One rupee notes are not current. They are sent in remittance to District Treasury. The sax opening balance of 31-8-25 shows that there were according to exhibit P1 825 - one rupee notes in double lock. But in the remittance exhibit P6 only 325 has been sent. The closing balance of 31-8-25 shows that only 60 - one rupee notes were put in. The figure 8 in the entry relating to one rupee notes is struck off and 60 entered after it against the date 31-8-25 in exhibit P1 - This entry is exhibit P1(m). In 5 rupee notes the number taken out is 535. The number sentx in remittance is 635 as per exhibit P6.

Further examination in chief reserved.

Interpretted and admitted correct.

Sd/ G. NARAYANA RAO,
City Magistrate, Mysore.
12-5-27.

Recalled for further examination-in-chief and solemnly affirmed. In exhibit P1 - Double lock Register the amount taken out from double lock box on 28-9-25 is Rs 30354 consisting of 33 - 100 rupee notes, 270 - 10 rupee notes - 450 - 5 rupee notes 1 - 2½ rupee note, 900 - 1 Rupee notes, 12000 Rs and 8 other small coins. I see exhibit P7 Invoice of re ittance to District Treasury on that date. Rs 30354 has been sent to District Treasury according to Exhibit P7. This amount of remittance consisted of 33 - 100 - rupee notes, 270 - 10 rupee notes, 550 - 5 rupee notes, 1 - 2½ rupee note - 400 - 1 Re/- notes and the rest rupees and small coins. That day there was nothing put in of 1 rupee notes. The opening balance that day showed 945 - one rupee notes. After taking out, the balance is 45. The closing balance that day in double lock shows 45 - one rupee notes - The entry exhibit P1(n) is written by 1st accused and initialled by 2nd accused. The opening balance of the single lock that day wha was 341-13-6, the receipts were Rs 4897-1-6 and the amount available for expenditure was Rs 5238-15-0. The amount of expenditure that day was Rs 657-13-0. The single lock closing balance was 421-2-0. The amount put in in the double

lock

The entries on 28 and 31-12-25 are exhibit P1(o). On 21-12-26, a remittance of Rs 17650 has been sent to District Treasury, consisting of 17 - 100 rupee notes 600 - 10 Rs notes ~~600-10 rupee notes~~ - 800- 5 rupee notes, 7 - 1 rupee notes - and small coins. The notes come to Rs 11707 including 7- one rupee notes - Exhibit P32. On 20-12-26 according to Exhibit P2 - no notes have been taken out from double lock box. Only 1980 rupees have been taken out. After taking this, the balance was only 1 - 100 rupee note and other smaller notes. On 20-12-26 - 17 - 100 rupee notes have been put in - The closing balance on that date was 18 - 100 rupees notes. On 20-12-26, the single lock opening balance contained no notes but consisted only of coins. The amount received that day was Rs 1569-9-10. The expenditure was Rs 765-10-0. There are 30 items of receipts that day. The items of receipts made up of Rs 100 and above are Rs 154-15, 483-4-6, and 100. The entries of 20-12-26 are in my hand writing. The receipts were mostly Excise collections. In Excise collections notes and coins are received. Exhibit P78(d) is the entry in shroff's Jamakharch Register on 20-12-26. The remittance of 21-12-26 was shroffed on 27-12-26. On 27-12-26 I have written the Jamakharch Register. The 1st accused had gone for remittance that day. That day R.T.R. for Rs 17320-8-0 relating to Parakalaswami Mutt was taken by 1st accused to District Treasury for cashing. The 1st accused went to District Treasury at 12 noon. It was the practise for Jevara to go to the District Treasury every day direct from his house until the remittance was shroffed. The 1st accused and Jevara returned/~~retained~~ together at 4 P.M. that day. They brought back one box in which remittance had been sent. The box had been locked. The box was brought and kept in the corner where 1st accused used to sit. Till he returned I wrote the Jamakhirch of the day. I conducted the transactions from the money received that day. Of the entries in the Receipt book that day, the entry of the amount of the R.T.R. is the last By that time the transactions had been closed. Exhibit P78

P.78(e) is the entry relating to this. I had have written this last entry. The 1st accused asked me to write this entry and I did not see the money. Volunteered Box was not at all opened. Jevara kept the box in the Treasury. The 1st accused, 2nd accused and Jevara went into the Treasury room. I did not go in that day. They all 3 came out after quarter of an hour. I entered the balance and 2nd accused initialled it. I see Shroff's rough book P 79. Dates are entered in the rough book up to 18-12-26 and the next date commences from 3-1-27. There are no dates entered in the intervening pages of the book. The 1st accused marked the entries in this book In exhibit P 79(b) it is written thus by 1st accused -

9000
7000
100
320-8-0

In the page of the Rough book in which this entry is made- The opening balance of the day is shown as 9470-12-10 which corresponds to the opening balance of 27-12-26 in exhibit P78 On the next page of the shroff's Rough book exhibit P79 there is an entry as follows:-

10X900 = 9000
5 X1400= 7000
16000

This is Exhibit P79(c). On 27-12-26 the single lock box balance was 339-0-11. Details of this balance are written in the same page as exhibit P79(c). That day according to P78 the closing balance was 27168-0-11. This figure is found with details in the same page Exhibit P79(c). These entries may therefore be said to relate to 27-12-26. That day the amount put in was 900- 10 Rupee notes and 1400 - 5 Rupee notes and the rest are coins. Exhibit P2(t) is the entry in exhibit P2 on 27-12-26. Exhibit P2(t) is in 2nd accused's handwriting and he has intialled the entry. There was a Revenue Probationer named Mr. Abdul Khalil in the Taluk Kutchery. He wanted to see the Procedure of putting in and taking out from Double Lock box. This was about 10 or 15 days after the District Treasury Officer last inspected the Treasury when 3rd accused was in charge as Cheristedar. At about 5 or 5-30, the shroff

(1st accus

* due to retire in June, 1927. His neglect of in not noticing the Funny bag system shows that he is not up-to-date at all.

Lee
7/4/27

Mr. Khan has not taken proper steps in the matter of the inspecting officers, pakhalas etc. Ambar.

For the report may be awaited. Meantime, the papers may be put up for his kind information.

10202
2/4

Early

Jm
2.4.27

Good
I.S.M. Gold as directed

Lee
2/4

Dewan)
Hon'ble Member

Nil
2/4

Lee
3/4/27

Jm

C. E., 7[illegible]

Routine Note.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Lt Shewanne should be to be
Congratulated for his picking
out this Calm, the receipt
may now be worked up

Lt HEG

The
13/8755

N B.—Should routine notes be written on small slips [illegible]
the notes must be copied, or slips pasted on this form.

Shseff Krishnachar of the District Treasury is to be made responsible for one-tenth of the total amount embezzled, viz., Rs.1,300/-, as there is ample evidence to show that he was an actual participator in the fraud. As regards the persons included in the third group, the Revenue Commissioner states that the Amildar, Mr.V.S.Rajagopalachar should be made liable for 1/10th of the amount and considers that this would be sufficient punishment for the slackness of supervision on his part which prevented the discovery of the fraud at an earlier date. The District Treasurers and District Treasury Officers could have prevented the fraud, if they had not allowed the remittance to the District Treasury to remain untested for weeks together and it is proposed to hold them accountable for the amounts shown below:-

	Messrs:-		Rs.
1.	H. Ramanuja Iyengar, District Treasurer	...	500/-
2.	Babu Rao, District Treasurer	...	500/-
3.	H. Basavaraj Urs, District Treasury Officer	...	150/-
4.	V.S.Vasudeva Rao, District Treasury Officer	...	100/-
5.	G. Rudrappa, District Treasury Officer	...	50/-

5. As regards the mode of recovery, it is proposed that the amounts due from the Taluk Sheristedar Venkataraghava Iyengar, Shroff Honnaiyya and Head Gumasta Srikantaiyya should be recovered by the conversion of their Life Assurance Policies and by proceedings against their moveable and immoveable properties. The amount due from the District Treasurer, Mr. Ramanuja Iyengar, Rs.500/- is to be recovered from his Security amount. The sum due from Shroff, Krishnachar is to be recovered from his security amount to the extent of Rs.1,000/- and the balance from his pay. The amount due from Mr.V.S.Rajagopalachar (Rs. 1,300/-) is to be recovered from the arrears of pension due to him and the balance, if any, out of his pension accruing hereafter at Rs.25/- per month. The amount due from Messrs Vasudeva Rao (Rs.100/-) and G. Rudrappa (Rs.50/-) are to be recovered from their pay. As Mr. Babu Rao, District Treasurer and Mr. Basavaraj Urs, District Treasury Officer are dead, it is proposed to remit the amounts for which they are respectively held accountable.

(continued on page 3.)

6. The Revenue Commissioner's proposals seem to be well-considered and Government accordingly approve of the same with the modification that Shroff, Krishnachar should be retired from service immediately, the amount due from him, (Rs.1,300/-) being recovered out of his security and Life Insurance amounts.

7. As regards the Deputy Commissioner, (Mr. A.V. Ramanathan), the Revenue Commissioner observes that though he might have been able to expose the fraud, if suspicious clues had been pursued on certain occasions, yet in view of the ingenuity with which the embezzlement was carried out, and the inefficiency of the subordinate officers, no further notice is required. On the other hand, the Revenue Commissioner adds that the Deputy Commissioner requires to be complimented on the thoroughness with which the frauds were investigated after they had been discovered and the culprits brought to book. Government agree with this view.

8. The Revenue Commissioner will send up to Government in due course a report as to the amounts actually recovered from the persons concerned.

****

Sd: ---

CHIEF SECRETARY TO GOVERNMENT.

To

The Revenue Commissioner in Mysore, Bangalore.

" Comptroller to Government " "

Through The Financial Secretariat.

" c o p y "

(M. Subramanyam)
For SECRETARY TO GOVERNMENT,
REVENUE DEPARTMENT.

Submitted to His Highness.

The Revenue Commissioner reports in his letter No.C.3764 26-27 dated 31st March 1927 that a shortage of Rs.13,000/- in currency notes was found in the Mysore Taluk Treasury on 29th March 1927. A detailed investigation is being made in the matter and the result will in due course be reported to His Highness. In the meantime the preliminary reports of the Revenue Commissioner and the Deputy Commissioner are submitted for favour of perusal.

Mirza M. Ismail

Bangalore,
5th April 1927.

800 No 773

General and Revenue Secretariat

SUBJECT

Report regarding shortage of Rs 13,000/- in currency note in the Nepore Taluk Treasury

(*)

31. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Members of Council for perusal after the issue of orders.

33. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after to the Chief Secretary for circulation to the Members.

34. In all other cases, the files will first be circlated to the Members of Council at headquaters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Members of Council for perusal of His Highness' orders before /after issue of orders. (*Vide* Rules 31, 33 and 34 of the Subsidiary Rules for the conduct of business of Council in the Manual of Council Rules and Procedure.)

By Order,

Chief Secretary to Government.

Through the Secretary to Government,

.....Department.

10587/13/4

FIRST MEMBER OF COUNCIL. 13/4/17

SECOND MEMBER OF COUNCIL. (Onslow)

Nird

~~EXTRA~~/MEMBER OF COUNCIL. 4/4

1893/14/4

Asst Sup, Pur.

NOTE - Contn. sheet.

Confidential

Office of the Revenue Commissioner in Mysore.

D.O. Dated, Bangalore 2nd April 1927.

Rec'd 6 p.m. on 2/4/27

My dear Madhava Rao,

In continuation of my D.O. No.C.C.60/26 dated 31st March 1927 regarding the loss of currency notes in the Mysore Taluk Treasury, I am forwarding herewith the explanation of the Amildar Mr.V.S. Rajagopalachar, received with Mr. Ramanathan's D.O. letter which is sent in the original herewith. I agree with the Deputy Commissioner in considering that the explanation is not quite satisfactory. A senior Amildar on the verge of retirement should have realised his responsibilities better. Mr. V.S. Rajagopalachar is on extension of services and is due to retire on the 6th May next. I am of opinion that he may be asked to go on leave forthwith preparatory to retirement.

I am proceeding to Mysore shortly and shall submit a further detailed report.

Yours sincerely,

C. D. Narasimhaiah

Sub d. for instructions as regards A. I think it is better to get the detailed report and deal with the matter adequately and once for all. cutting short the Amildars' leave by one month does not serve the purposes of discipline. It will constitute practically no punishment, in case negligence is brought home to the Amildar.

187 Memo. I agree with Chief Secy that mere giving him the month's leave may not be enough — but he is due to retire in May & it seems 3/4/27 best that he should have lost revenue, & if so he is relieved. I hope Chief Secy

Dewan.

Serial No

the responsibility of the higher officers also. for how long this Sunny bag was in use, Whether the inspections were made were done by S.D.O's D.T.O's & D.C; What action was taken, & whether prompts & G. re Sunny bag, When the trunk was sent to Salem Treasury & Why not withheld at once are all points to be answered.

I wd suggest these papers being shown to I.O.s also & a set of questions in the light of Treasury manual, Standing orders & Common Sense, be framed & sent to R.C. so that responsibility may clearly be fixed. Is it Sunny bag that tempted the Shroff & whether pay & Security of Shroffs shd further be increased also to be considered when passing trial orders

10215/2/4

Does it attract a better class of men

Lee
4/4

(A letter to R.C on the above lines is being issued)

Dewan)

mm
4/4

A circular, Lays down some general rules for the guidance of Subordinates in dealing with Treasuries,

mm
4/4

mm
4.4.27

I have inspected Treasuries of several Ar[illegible]

App. F. III—2]

General and Revenue Secretariat.

R'm File No. 15 of 192

Serial No.

To the Rem Cmsr. R 6285 dt 4-4-27.

States that the rules require the inspection of the Treasuries by the D.P.O., the D.C. & the S.D.O. & enquires when the last inspection by these officers were conducted & whether rules regarding were being observed (1) detailed inspection of the cash balance of the Treasury by the shirkdar once a month (2) verification of the cash by the shirkdar on his return to Hd Qrs etc.

A draft reminder is put-up.

Rem
13-5-27

Reminder no R 7657 dt 16-5-27

NOTE—Contn. sheet

GPB—5,000—30-3-27

D 2457
31.5.97.

G. R. S. III—3]

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Chief Sec'y.

Please get a copy of the order or judgment in the Imperial Treasury Application Case — & copies of the Evidence.

The Dewan said that the Amildar should be held responsible.

We have to study the Extent to which rumours in Meetings should have been or have been.

In Br. India usually enquiry is received from someone. We have been rather cautious; & there seems to be a tendency of screen, consequently. (E.g. Hyderabad Treasury forgery Case. Indevara bills Case etc.)

Lee
31/5—

A/s with fair copy of the Judgment today

31/5

Draft put up
RLG
31/5

Sir C.H.
31/5

Sec'y

N. B.—Should routine notes be written on small slips the notes must be cipoed, or slips pasted on this form

General and Revenue Secretariat. File No. 5 of 192

Serial No.

without notes the boxes should (except when required for despatch to other Treasuries within a few days of ~~its~~ receipt) be opened immediately on arrival at the receiving treasury, whether the remittance is accompanied by the shroff or not. If the detailed examination of the whole remittance cannot be immediately proceeded with, the bags of the coin or parcels of notes should be deposited in the Strong Room under double locks, care being taken as far as practicable to place these apart from other coin.

I do not think that this rule has been followed. Its violation has undoubtedly facilitated the perpetration of the fraud and prevented its early discovery. The Revenue Commissioner's attention may be invited to this aspect of the case and a report of an enquiry into this matter may also be called for.

21.4.28

DEWAN'S OFFICE
Received on
24 APR. 1928
Reg. No. 6764

First Member
Dewan

23/4

8810/26/4

In addition to the action suggested by the C. Secy. in his note above.

25-4-28

26/4

First Member

NOTE—Contn. sheet.

WD 0324—GPB—60,000—24-5-27

General and Revenue Secretariat. | Rm File No.15 of 1927.

Serial No.

4) Responsibility of the several respecting officers for failure to detect the fraud

5) Steps to be taken to recover at least a portion of the defalcated amount by proceeding against the properties of the accused persons.

To Fin. Secy for favour of remarks

Mcq
20/4

15904
21/4/28
'Z'

I agree with the Chief Secretary. Reference is invited to my note dated 20th December 1927, in the file.- paras 40 and 42 -.

There is one important point on which further departmental investigation seems to me to be necessary. The judgment does not throw much light as regards the modus operandi of surreptitious introduction of currency notes into Remittance bags at the District Treasury during the examination.

Articles 588 and 602 of the Mysore Civil Account Code Volume II prescribe the procedure regarding the remittance of currency notes and the action to be taken on receipt of remittances at the receiving Treasury.

In the case of specie remittances with or

NOTE—Contn. sheet

WD 0324—GPB—60,000—24-5-27

App. F. III—2]

General and Revenue Secretariat. | File No. 3738 of 192

Serial No.

C & D

The Dy. Comr's report in regard to [redacted] assessing the responsibility for loss may perhaps be awaited. ~~Such~~ General instructions have been already issued by Govt. to remedy the defects which rendered these defalcations possible.

The papers may also be sent to the Inspector of Office Systems for favour of remarks, if appd.

CHIEF SECRETARY 19 APR. 1928

Submd
Cpb
18/4/28

The Revenue Comsr may be informed that the D.C's report should specifically deal with the following points

1) responsibility of the Asstt Dr and amount to be recovered from him

2) responsibility of the several Dt Treasury Officers and Officials for permitting remittances to remain unchecked for long periods.

3) Do- do for the recent offences to the Return shroff + Mrs to introduce currency notes while checking the remittance.

NOTE—Contn. sheet.

WD 0824—GPB—60,000—24-5-27

G.R.S. III—8]

No. A. 3878/1926.

Office of the Deputy Commissioner,
Mysore District,

Dated Mysore, 28th June 1927

From A.V. Ramanathan, Esq., B.A.,
The Deputy Commissioner,
Mysore District.

To

B. Madhava Rao, Esq., B.A., B.L.,
Chief Secretary to the Government of
His Highness the Maharaja of Mysore,
Bangalore.

Subject:- Mysore Taluk Treasury Defalcation Case.

Sir,

In continuation of this office letter No. 3873/1926 dated 28th June 1927, I have the honor to forward herewith a copy of evidence so far obtained in the Defalcation Case of the Mysore Taluk Treasury received from the City Magistrate, Mysore, Copies of further evidence will be submitted as they are received.

I have the honor to be,
Sir,
Your most obedient servant,

Deputy Commissioner &
District Magistrate,
Mysore District.

A.N.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

G.R.S. III—3]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record]

D.O. No. 63/5/27 dt 19.8.27.

Seen and returned with Compliments

S. Shanmuga

18.8.27.

Vide note in the margin. As regards taking disciplinary action against the officers concerned, we have to wait for the final disposal, when we can and might get a copy of the disposal.

4 18/8/27

Do thing they with Compliments.

N.B.—Should routine notes be written on small slips, these notes must be copied, or slips pasted on this form.

D.O.4.

CS. 1656.

OFFICE OF THE
INSPECTOR-GENERAL OF POLICE IN MYSORE.
Bangalore,

Dated 28th April 1927.

Dear Sir,

I herewith send for the information of Government a copy of the preliminary report dated the 25th instant received from the District Superintendent of Police, French-Rocks in the Mysore Taluk Treasury defalcation case and also a copy of my letter to the Revenue Commissioner.

Yours Sincerely
Illegible

To

N. Madhava Rao Esq. B.A.B.L.,
Chief Secretary to Government,
Bangalore.

In perusal
1st Member
3rd Member
29/4/27
After perusal by 3rd M, I.G.P. & Comptroller may suggest measures in consultation for reducing chances for theft, fraud & roguery. Surprise inspections & actual counting are obvious remedies.
30/4/27
30/4/27

4) To D. O. S with compliments for favour of proposals

Date 30/6

Rec'd 4/7. 5) To Comptroller with compliments.

for favour of perusal.

We may discuss and settle the modifications if any, in the mtg of Dy Secretaries & Inspectors

h
4.7.27.

D.O.M. 62/Encl. 8) 19-8-27

Returned with compliments with a Memorandum in the Case

M.
18.8.27

D.16
20/8/27.

7) To Chief Key with Compliments.

h
20/8

CHIEF SECRETARY.
20 AUG. 1927

8) Put up Draft covering letter + record + file properly arranged

CONTROLLER'S OFFICE
A.
20 JUL 1927
37/Spl
BANGALORE

260 13 13

General and Revenue Secretariat.

RM File No. 15 of 192

Serial No.

Letter No. A 3873-26 dt 8-7-27 from the DC Magistrate Mysore dt forwarding copies of further evidence obtained from the City Magistrate's Court, Mysore in the defalcation case of the Mysore Taluk Treasury.

Chief Sec's remarks:— "Perused & noted."

The previous letter of the Def Cam has been sent to the Inspector of Office systems for looking into the evidence already recorded in the case with a view to submission of proposals for avoiding such defalcations in treasuries in future as ordered by the first Commissioner. This also may perhaps be sent to him in continuation after perusal.

Def 13/7 HK 13/7/1927 CR Secy

CHIEF SECRETARY 14 JUL 1927

18/7

7 Yes Secy 16/7

18/7/27

Asst Officer Systems

To Complaints with Compliments for favour of information and return of the file without remarks.

B Sreenivasaya 18/7/27

18/7

D.O No. 64 Spl dt 19-8-27 Seen and returned with Compliments Encl: The original files are also returned

S. Shamanna 18-8-27.

NOTE—Contn. sheet.

WD 0824—GPB—60,000—24-5-27

vide notes on the other file

Inviting Secy with Compliments & Regts

G. R. S. III—3]

(4 (14

ROUTINE NOTES.

Camp D 34/27 D 8/6/27

No. A. 3873-26 Office of the Deputy Commissioner, Mysore District,

Dated Mysore, 7th June 1927.

8/6/27 FROM A.V. RAMANATHAN, ESQ., B.A.,
DEPUTY COMMISSIONER,
MYSORE DISTRICT.

To

M. MADHAVA RAO, ESQ., B.A., B.L.,
Chief Secretary to the
Government of Mysore,
Bangalore.

Sir,

Mysore Taluk Treasury - Defalcation Case.

Adverting to your letter No.R.8044 dated 21st May 1927 requesting me to forward the copy of the order in the above case along with copies of evidence, I have the honour to state that the case is yet under enquiry in the City Magistrate's Court, Mysore and copies of evidence and judgment will be obtained and sent after the case is decided.

8459

I have the honour to be,
Sir,
Your most obedient servant,

Deputy Commissioner,
Mysore District.

Subd for perusal. The First Member has called for the copies of evidence & judgment. The receipt of these may be called for & awaited. (This office letter & the connected routine note are at head quarters)

N. B. – Should routine notes be written on small slips, the notes must de copied, or slips pasted on this form.

WD 1850—GPB—1,50,000—2-5-21

To be put up with the connected papers

B 12855 12/6 12/6 First Member

125

15

[F. III—2]

General and Revenue Secretariat.

File No. 15 of 1927

Serial No.	
	Ltr No 3473/26 dt 26-8-27 from Mr D.C. Mysore D.C. forwarding for information copies of further evidence in the Mysore Treasury defalcation case.
	The connected file received back from the Inspector of Office Systems was submitted 4 days ago. Subd in Continuation.
	Submitted in accordance with the opinion of the I.O.S. Mr. [illegible] will be [illegible] with Mr. Thomas after personal [illegible]
	Submitted
	Submitted
	Submitted

He did not verify the cash even on the evening of the 27th. He has merely in words certified to the cash being correct, in the shroff's daily cash book. There is nothing to show that the contents of the Double-Lock Box have been verified by the Amildar when he has been present at Head-quarters. What is worse is that Currency Notes have been put in and issued out but without verifying the correctness of the Number actually on hand after comparison with the figure mentioned in the Double-Lock Register or the Shroff's cash book.

The present Sheristedar took over charge on the 7th instant from the Head Gumasta who relieved the former Sheristedar Mr. Venkataraghaviengar on the 4th instant. The present Sheristedar states that the cash and currency notes were correct according to the Regist on the 7th instant when he took over charge. Since the advent of the present Sheristedar, Head Gumasta, B. Srikantiah has been in charge of the Treasury for a whole day and conducted all the transactions on the 22nd. B the Sheristedar and the Head Gumasta have conducted transactions separately for some items each during th course of one and the same day on the 11th, 14th, 18th & 26th instants. On the 14th the Head Gumasta has conduc all the transactions except the last two which, the Sheristedar admits, were conducted by him and recor his hand-writing in the Sheristedar's book. The Sher says that he availed himself of Sunday at Gundlepet, arrived late on the 14th, conducted two transactions left for Kalastavadi to conduct the sales. On the a few transactions in the middle of the day hav conducted by the Head Gumasta, the opening an transactions have been conducted by the Sher

The lat remittance of currency notes has been on 4-3-27, when notes of the value of Rs.43,350/- were sent to the District Treasury,still retaining in the Taluk Treasury currency notes of the Value of Rs.15,875/- in addition to Rs.3,000/- in cash in Rupees. At least Rs.12,000/- more in notes could have been sent to the District - Treasury. This is a District Head Quarter and whatever money was needed in case of a sudden demand could have been met by getting it from the District Treasury. Since that date there have always been more notes, especially of ten Rupee and five Rupee denominations received than issued. During the period 5th to 26th instant the Double Lock has been opened on 17 days, but the Double Lock Register has been initialled by the Amildar only on five occasions on the 10th, 18th,21st,23rd,and 25th.

It may be seen from the above that the defalcation is due to neglecting to examine the contents of the Double Lock in the evening at the time of the closing of the transactions before certifying to the correctness of the statement of Specie and notes under the Double Lock. Under the circumstances, the certificate in the Shroff's Cash Balance is valueless. It should not have been indulged in as a matter of routine. I am very doubtful whether the Sheristedar has always gone in person to open the Double Lock Box and merely sent the key either whether he did not with the Collar or the peons. If he had always opened the Double Lock himself there would have been no room--unless it be himself- to remove the currency notes without his knowledge. It was absurd to have permitted the keeping of the notes in a gunny bag when there was a box provided with a lock and key was purchased for the pur

purpose

ago for the purpose of keeping the currency notes. I found this box outside the Double-Lock. It is stated that the gunny bag came to be in use as the small tin box - at one time used for the purpose - was damaged from long usage and would not hold all the bundles of notes and that excess of notes used to be merely tied with a string into bundles,put into a net bag and placed in the Double-Locks box. The Amildar says that the gunny bag is a recent intoduction, that he had never seen it in use at any time during his inspection of the Treasury,and that he would never have permitted its use. The Sheristedar says that he found it in use when he took over charge and that when he objected to its use the shroff told him that it has been in use as per Mamool " . Its use was therefore continued by the present Sheristedar. It would have been well if he had been more firm in the matter and reported the use of this unauthorised receptacle for notes to the Amildar. It may be seen from the above that no adequate precautions were being taken for the safe custody of the notes. The notes should have been kept in a box under lock and key and the key always kept with the Sheristedar atleast. The loose and unsafe manner in which they were kept has given a good chance to an unscrupulous person to steal.the notes. The Head Gumasta says that sometimes when there was an excess of notes these used to be put in the gunny bag.

It is also to be regretted very much that not even the Sheristedar is in the habit of examining daily the contents of the Double-Lock Box in the evening at the time of closing the Treasury before signing the Shroff's Cash Balance report. The Sheristeadr admits that he did not check the contents on the 26th evening when he permitted Shroff Honnaih to go on leave.

C.C.No. 12/1937

Office of the Assistant Commissioner,

Mysore Sub Division,

Dated Mysore the 30th March 1937.

Dear Sir,

I beg to state that as directed by you and requested by the Amildar, I went over to the Mysore Taluk Treasury immediately at about 3.45 P. M. yesterday to enquire into a reported defalcation of Rs.13,000/-. The Amildar was already engaged in inspecting the cash in the Double-Locks. I verified the cash myself also along with him. It was ascertained that the amount under coins was correct, according to the Double-Locks Register. But under Currency Notes there was a shortage of Rs.8,000/- in ten-rupee currency notes and a shortage of Rs.5,000/- in five rupee currency notes. The amount under other denominations of currency notes was correct.

As personally explained to you Honnaih, Shroff is at present suspected of having committed the embezzlement of this large amount. He was given a day's casual leave and availed himself of it from the evening of Saturday (26th March 1937) to go to Chakanahalli in Mandya Taluk to fulfil a vow at the Jatra. In his absence the Treasury Transactions of 27th instant were conducted by Golla Hanumantha Rao. Honniah returned to duty yesterday in the afternoon at about 1.P.M. The defalcation was discovered when the contents of the Double-Locks box were scrutinised in order to despatch a remittance to the District Treasury. The Sheristedar reported the matter at 3.P.M. to the Amildar who had just then returned from Chettnahalli camp.

On enquiry I learn that a small gunny bag was being used for keeping the currency notes instead of a boxwith a lock and key which had been bought about a month

No. C.C. 60/26-27

OFFICE OF THE REVENUE COMMISSIONER
IN MYSORE.

Bangalore 31-3-1927.

Confidential

My dear Madhava Rao

I am sending herewith an original report of the D.C. of Hassan in regard to the theft of currency-notes, the value of Rs 13000 from the Hassan Taluk Treasury for the information of Govt. I shall defer my proposals till I receive a further report from the Deputy Commissioner

Yours sincerely
Sd/- G. Narasimha Rao

Immediate and Confidential.

Office of the Deputy Commissioner,
Mysore District.
Dated Mysore 30th March 1927.

From

A.V. Ramaratnam, Esq., B.A.,
Deputy Commissioner, Mysore District.

To

P.G. D'Souza, Esq., B.A., B.L.,
Revenue Commissioner in Mysore, Bangalore.

Shortage - Rs. 13,000/- Currency Notes - Mysore Taluk Treasur

Sir,

In continuation of my letter No. D.O. 175 dated 29th March 1927 on the above subject, I have the honour to forward herewith copy of the Mysore Sub Division Officer's report No. C.C. 12/26-27 of this date giving the results of his investigation and copy of the explanation of the Taluk Shirestedar.

There is no doubt that the loss has occurred owing to the gross carelessness and negligence on the part of the Taluk Sheristedar in dealing with the Double Lock Store. I have therefore placed the Sheristedar under suspension pending further investigation and orders. Under Article 58 M.A.C. Vol. II, the Amildar should have personally opened the Double Lock Store whenever it had to be opened during his presence at Head Quarters. I have instructed the Sub Division Officer to verify how many such occasions there have been since Ist March 1927 by a comparison of the Double Lock register and the Amildar's diary and take and submit the Amildar's explanation in this respect. Art 240 M.A.C. Vol II The also been book kept of in this case.

The Shroff against whom there is strong suspecion is in Police Custody, and the Assistant Superintendent of Police Mr. Siddaraj Urs and the Division Inspector Mr. Purnachar are giving their personal attention to the case. The Assis-

General and Revenue Secretariat

R-M File No 15

App. III–21 of 1928

Serial No.

14

G.O. No. R. 3898-9 dt 10.11.28

The Rev Comnr

" Comptr thro H. Secy

Passes orders on the allocation of responsibility in Connection with the defalcation Case in the Mysore Treasury and the question of recovering the loss from the officers responsible

A certified copy of the G.O was sent to H Govt for D. No R3175 dt 7.12.28 in connection with the settlement of pleadings in Regd Appeal

B

Submitted for orders

Sd/- [illegible]

15/12/28

No further action necessary in this office

Sd/- [illegible]

B/ to the consolidated record

NOTE – Contn. Sheet

WD 021—GPB—30,000—21-8-28

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Allocation of responsibility in connection with the recent case of defalcation in the Mysore Taluk Treasury and the question of recovering the loss from the officers responsible.

234

Order.

~~KRW~~

20/10/28

C Secy
MR
22-10-28

A/c Rec
Pt of Papers
pre
20/10-D/28/10

Extract from the Proceedings of the 829th *Meeting of the Council of His Highness the Maharaja, held at Bangalore on the* 3rd October 1928. *19*

30. Subject. - Clause v of the schedule.

Allocation of responsibility in connection with the recent case of defalcation in the Mysore Taluk Treasury and the question of recovering the loss from the officers responsible.

OPINION OF THE COUNCIL.

The proposals of the Revenue Commissioner may be accepted.

Signed - Mirza M. Ismail.

Dewan of Mysore.

Note. - Shroff Krishnachar should not be retained in service.

...

29/11
5/10.

For favour of final Note,

Second Member.

5/10.

EXTRACT"

Chief Secretary to Government.

WD 433—GPB—1,000—1-9-26

App. F. III—2]

General and Revenue Secretariat.

R.M. File No. 15 of 1927. C118

Serial No.

Final note signed by the member is placed in the file.

Hon
14.10.28

S. N. Submitted.

Dewan) 14/10

MD
16-10-28

29/11
DEWAN'S OFFICE.
16. OCT. 1928
No. 1089.

NOTE—Contn. Sheet.

WD 01714—GPB—80,000—18-4-28

742/R

41

App. F. III—2]

General and Revenue Secretariat.

RM File No. 15 of 192).

Serial No.

whether the Amildar Mr. V.S. Rajagopalachar should not be asked to pay a larger amount than Rs. 1300/- seeing the extent of his -- negligence in testing the Treasury balances.

May be considered at a meeting of Council

Second Member

First Member

Dewan through Secy

1881/1928

RE 508+28

D. 8-8-28

I agree with the Chief Secretary. I wish to add, however, that there is no good reason for the deficiency in the treasury balance not being fully recovered from the persons responsible.

The Revenue Commissioner considers it not fair to call upon the persons other than the principal culprits to contribute a larger amount than what has been proposed and that these irrecoverable amounts should be written off.

As the officer in executive charge of the Treasury, the Amildar is responsible for the due accounting of all moneys received and disbursed and for the safe custody of all coin, currency notes, stamps, etc., and other Government property in the Taluk Treasury. In virtue of the office held by him, the Amildar is, I think

NOTE—Contn. Sheet.

01714—GPB—30,000—18-4-28

was the order to send the Shroff for testing on 4-9-1926. The balance that day was 216 x 10 and 332 x 5. On 8-9-1926 the closing balance was 601 x 10 and 519 x 5 and the testing was done on 9-9-1926. Prior to 8-9-1926, the balance is notesof Rs. 10 and Rs. 5 was below 600 and 500 respectively. The remittance of 30-10-1926 (Ex.P23) consisted of 700 x 10 and 600 x 5. The closing balance on 9-11-1926 was 321 x 10 and 320 x 5. The opening balance on 11-11-1926 756 x 10 and 494 x 5. The balance in Rs. 5 notes was below 500 and so the testing was not done. The closing balance on 12-11-1926 was 763 x 10 and 500 x 5 and the testing was done the next day 13-11-1926. The remittance of 29-11-1926 consisint of 800 x 10 and 700 x 5 was not tested till 9-12-1926. On 3-12-1926 the balance was 259 x 10 and 410 x 5. The closing balance on 6-12-1926 was 61_ x 10 and 760 x 5, and on the next day the testing was done. The remittance of 28-9-1925 consisted of 270 x 10 and 550 x 5. Ex. P44 is the order to send the Shroff for testing on 7-10-1925. The balance that day was 123 x 10 and 514 x 5. Till the notes of Rs. 10 reached 200 the testing was not done and that was after 10-10-1925. The remittance of 1-12-1925 consisted of 200 x 10 and 575 x 5. Exh.P45. is the order to send the Shroff for testing on 7-12-1925. On the latter date the balance was 191 x 10 and 319 x 5. Up to 14-12-1925 the balance is Rs. 5 notes was below 575 though the balance in Rs. 10 notes was above 200/-. After the required minimum was reached the testing was done on 15-12-1925. There are other instances of the same kind but it is not necessary to multiply them. So long as the required number of notes was not reached both in Rs. 10 and Rs. 5, the testing was not done. These instances show that testing was not done till after the inspection and till the required number of Rs. 10 and Rs. 5 notes was reached in the double lock to make good the shortage. Mr. Basavaraja Urs the District Treasury Officer, noticed these delays in getting the remittances tested. The remittance

P 6685
K

Routine Note.

C. F. 74] [To be used only for notes, requisitions, etc., not intended for permanent record.]

WD 06684—GPB—35,000—12-10-54

Subd

Verified the 'Sus' Register with refee to Lr. 603-44-9 and not Lr. 603-54-9 as corrected by the Concerned C.W. in the letter of H. D.

The 'Sus' Register placed below clearly indicates that the letter issued on 16-11-54 with the old file-Register No. i.e. Lr. 603-44-9 and not of any new file Number. The branch diary has also been verified with refee to Sy. No. 3106/K1 in which there is no indication to show that the file has been marked to 'Sus' nor Recorded.

It is kindly pointed out that instead of being the 'Sus' clerk and the Lr. Record-Keeper who are solely in charge of disposed and undisposed files, the C.W. has simply brought the Lr. file-Register keeper

N.B.—Should routine notes be written on small slips, they must be copied, or slips pasted on this form.

C. F. 74] **Routine Note.** 8663/R

[To be used only for notes, requisitions, etc., not intended for permanent record.]

R 3106/R

D 1107/R

who picture who is to Register only the letters in the current files.

Hence, this may be referred to the Record-keeper for taking the file or his ent.

28/5

The collection 606 has been put up as reference to the subsequent letter 12-9-52 (8163 not registered) and this has been deposited enclosing the Sup. Eff As there are a large no. deposit papers still to be sorted, the Collector may be asked in one of these Deposits. Sri Mudaliar is requested to search the connected papers within 5 days.

6-7-55

Searched all the deposit papers but the concerned letter has not been traced out.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

R E A D:-

Correspondence ending with letter No.C.C.60/26-27, dated 12/13th July 1928, from the Revenue Commissioner in M y s o r e.

****

O R D E R NO.R.3898-9/R.M.15-27-14.

BANGALORE, DATED THE 10TH NOVEMBER 1928.

The Revenue Commissioner was requested in Government Order No.5419/C.B., dated 28th April 1928, to assess the individual responsibility of each of the officials and officers of the Mysore Taluk and District Treasuries for the loss of Rs.13,000/- from the Mysore Taluk Treasury which took place between the years 1925 and 1927. He has in consultation with the Deputy Commissioner, Mysore District, submitted proposals which are briefly recapitulated in paragraphs 2 and 5 below:-

2. The persons responsible are classified under three h e a d s, viz:-

(a) those who were directly privy to the fraud and who benefited by the embezzlement;

(b) those who connived at or abetted the fraud, though there is not sufficient evidence to connect them directly with it; a n d

(c) officers who by their neglect facilitated the frauds and allowed them to be practised for a long period without detection.

3. Under the first head, the Revenue Commissioner has placed the three persons directly responsible for the embezzlement who were convicted by the District and Sessions Judge, Mysore, in Sessions Case No.10 of 1927-28. They are the Taluk Sheristedar Venkataraghava Iyengar, Shroff Honnaiyya and Head Gumasta Srikantaiyya. Krishnachar, Shoroff of the District Treasury comes under the second category. Messrs Babu Rao and Ramanuja Iyengar, District Treasurers, Mr. V.S. Rajagopalachar, Amildar, Mysore Taluk and Messrs V.S.Vasudeva Rao, Basavaraj Urs and G.Rudrappa, District Treasury Officers have been put in the third category.

4. The first three persons, viz., Venkataraghava Iyengar, Taluk Sheristedar, Shroff Honnaiyya and Head Gumasta Srikantaiyya who are the principal culprits, are to bear 70-percent of the amount embezzled in the following proportions:-

1.	Shroff Honnaiyya	...	Rs.3,250/-
2.	Taluk Sheristedar	...	4,550/-
3.	Head Gumasta	...	1,300/-
	T o t a l	...	Rs.9,100/-

P. T.

6. The Revenue Commissioner's proposals seem to be well-considered and Government accordingly approve of the same with the modification that Shroff, Krishnachar should be retired from service immediately, the amount due from him, (Rs.1,300/-) being recovered out of his security and Life Insurance amounts.

7. As regards the Deputy Commissioner, (Mr. A.V. Ramanathan), the Revenue Commissioner observes that though he might have been able to expose the fraud, if suspicious clues had been pursued on certain occasions, yet in view of the ingenuity with which the embezzlement was carried out, and the inefficiency of the subordinate officers, no further notice is required. On the other hand, the Revenue Commissioner adds that the Deputy Commissioner requires to be complimented on the thoroughness with which the frauds were investigated after they had been discovered and the culprits brought to book. Government agree with this view.

8. The Revenue Commissioner will send up to Government in due course a report as to the amounts actually recovered from the persons concerned.

****

Sd: ---

CHIEF SECRETARY TO GOVERNMENT.

To

The Revenue Commissioner in Mysore, Bangalore.

" Comptroller to Government " "

Through The Financial Secretariat.

" c o p y "

(M. Subramanyam)
For SECRETARY TO GOVERNMENT,
REVENUE DEPARTMENT.

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Report regarding shortage of Rs.15,000 in currency notes in the Mysore Taluk Treasury.

Order.

~~KRW~~
9/4/27

C L
M
9/4/27

NM
11/4.

General and Revenue Secretariat. File No. 15 of 19

Serial No.

9) A draft circular is sent as directed in the previous page.

11) Copy of G.O. No. R(1)C-206/R(1)D-27/28 dated 27 is put up.

12) Memorandum as above

13) The draft is typed & sent.

Chief Secretary 5 SEP. 1927

First Member 7/9/27

Second Member

16) Issued 7/9/27

17) Issue

Circular No. R(1)29-3) dated 15 to Dc's dated

Issues instructions in regard to the clerking work in treas

NOTE.—Commu

WD 0324—GPB—60,000—24-5-27

App. F. III—2]

General and Revenue Secretariat. Run File No. of 19.

Serial No.

Ft. Com 425

Financial Dept has not been consulted. Subm with draft quest for Communication.

Qs. 17.9.27

19) He has been consulted in his Capacity of D.C.S.

Rec'd 19-9-27 from The Revd Bd 19/9

3967/19/9

Secy for perusal I think the Comptr will have Written on M.C., Stage VIII M.C.M. If appd. this will be added in the Communication letter.

20) Noted. The Comptr will kindly take necessary steps for Communication 20/9

Communicated in Ft. Com 425 dt 20.9.27

NOTE—Contin. sheet

G. R. S. III—3]

(10 18

ROUTINE NOTES.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

22)

Draft D.O. to Govt. Advocate forwarding copies of evidence & of charges framed in the City Magistrate Court Mysore in connection with Nagarth Treasury Defalcation Case is put up as directed.

Ref 17/5 27) 27/1/17

No. R (1275-3) 1923/1737 t. 27

Govt. Advocate.

3. 3/1

For depositions of witnesses & exhibits returned herewith the same when done with.

24)

No further action seems necessary in this file. Reference is invited to the Circular of the Director of Public Instruction

N. B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

regarding the

of Office systems stating the [redacted] for taking disciplinary action against the officers at fault

General and Revenue Secretariat. | File No. 15 of 192 .

Serial No.

must await the disposal of the case in the Magistrate Court. Subs for orders

Return of the papers sent to first advocate awaited

Mayne member 2
Rupp for Inspector
22/
24/5

4. DO No 20 of 29.10.27 from the first advocate returning the papers sent & stating that the application filed by the accused Hamaraja for transfer of the case from the file of the city Magistrate, Bangalore was heard by the Chief Court & was dismissed.

25) Subs for perusal with reference to Ch Secy's orders on the DO letter

CHIEF SECRETARY. 13 NOV. 1927

2/11 WW 7/11

Ch Secy 23 7/11

3565 4/11

21) First Member 3/11 24

Secy

be sessions

5/11.

21) Adv Genl enquiring.

7/11 24 5/11 WW 9/11 24 Asst 10/11

No R 1482 of 12/11/27 to Deputy Commr Enquiries whether the case has been ordered to be committed to Sessions

Secy

Note—Contn. sheet. WW 15/11

App. F. III—2]

General and Revenue Secretariat.

File No. 15 of 192 .

Serial No.

From Dy. Coll. Mysore West.
No. no C C 141/26-27 dt 14th Nov 1927
Reports that the case was adj'd to 15th Nov. 27 for orders of the Magis. & he will send further report to-day

4006/16/11

If the Dy. C's D.O letter is sub'd for perusal, with reference to 1st Members minute on page 4). The case is not cattle-killed to the Serious as yet. -

16/11 First Member 16/11

30/11/27 Lee 17/11

17/11

From the Dy. Coll. Mysore
C.I. 78/27 - dt 15th Nov. 27.
Reports that case has been further adj'd to 17th inst.

Sub B 30/11/27 (1) Subd for perusal. This report will be awaited

19/11 18/11

From D.C. Mysore
C.I. 78/27 (?) dt 17th Nov 27
Reports that the case is again adj'd to 21.11.27.

NOTE—Contn. sheet

WD 0824—GPE—60,000—24-5-27

2721 2463

No. G1. 78-27.

OFFICE OF THE DISTRICT MAGISTRATE,
MYSORE DISTRICT,
Dated, Musore, 17th November 1927

D 2707
19.11.27

From

A.V. Ramanathan, Esq., B.A.,
District Magistrate, Mysore District.

2463

19/11

To

N. Madhava Rao, Esq., B.A., B.L.,
Chief Secretary to the Government of Mysore,
Bangalore.

SIR,

DEWAN'S OFFICE
Received on
28. NOV. 1927
No. 3551.

Mysore Taluk Treasury Defalcation Case
before the City Magistrate, Mysore
progress of trial.

In continuation of my letter No. G1. 78-27 of the 15th instant regarding the progress of trial in the Mysore Taluk Treasury Defalcation Case before the City Magistrate I have the honour to state that the case has been adjourned to the 21st instant to hear the Public Prosecutor further to clear up certain points.

OFFICE OF THE
THIRD MEMBER OF COUNCIL
19 NOV. 1927
No.

I have the honour to be,
Sir,
Your most obedient servant,

District Magistrate,
Mysore District.

S.G.

General and Revenue Secretariat. File No. 15 of 1927.

Serial No.	
7	From Mysore Res's report No. 78/27-28 Dt 29th Nov 27 Submits copies of the charges framed against the accd persons, who were committed to the Sessions 35) Hon. Secretary's order "Call for a copy of the order of committal" Draft. Subo. WW 1/12
	36) 1/12 To R. 4271 D) 2nd to D C Mys Dt Calls for copy of the order of committal
8	Letter No. CC 472 D 9.12.27 from the Dt. Magistrate. Enquires forwarding
9	copy of the resume in the Temp. Talukdar's Sun Defalcation case for information 37) Submitted with connected papers as ordered by the Chief Secretary on P. V. D. 12 12
	14-12-27 Chary) 14/12
	38) Reply is marked to para 8 of the order of committal in which the matter already is described. He shall have to wait 9 Months, until the case is disposed of by the Court of Session, before

Sig A 5/12 WW
× Flag I

Rec'd 15.12

NOTE—Contn. sheet.

WD 0324—GPB—60,000—24-5-27

General and Revenue Secretariat. R.-Sn. File No. 15 of 1927-28

Serial No.

Serving Settlt acctt

Asst Member

15/12

4931/16/12

We have lost the money & there is little chance of recovery as the accused are not well-to-do in Br. India the Supervising officers are made to pay the loss. Whether any similar disciplinary action is necessary in the case & if so, to what extent, has to be considered. The Auditor has already been retired. I shall be glad to have Fin. Secy's opinion. We are likely to lose at least 10,000 Rs, I am afraid.

Ag/15-18-Q/19/12

9332/20/12

Ag 17/12/27

401

I request kind reference to para 10 of the Dy commrs preliminary report of 28th April 27. Now that the investigation is completed, the D.C. Myaung may be asked to send his final report assessing the responsibility for the loss on the Supervising and other officers concerned, with proposals.

NOTE—Contn. sheet

WD 0324—GPB—60,000—24-5-27

upon every innocent act of the accused contrary to all cannons of law.

VIII. The prosecution has let in a large mass of evidence of an intricate and complicated character to establish that it is a case of defalcation of Rs 800/- and not one of bona fide exchange of notes in the course of the ordinary transactions of the day. To a clear understanding of the intricacies of the case and proper appreciation of the evidence, it is necessary to explain the modus operandi said to have been adopted by the accused. The accused are said to have generally defalcated hundred rupee notes taken out from the double lock box ostensibly for the day's transactions. The sums so defalcated were balanced in the accounts by making fictitious credits under one head of currency or the other. These fictitious credits were made at different times under differemt heads of currency but were finally fixed in Rs 10 and Rs 5 notes. On account of these fictitious credits the actual cash in the Treasury would be less than the book balances by the amount defalcated for the time being. To prevent detection of the shortage by the inspecting officers, a remittance was sent to the District Treasury before the inspection, transferring the shortage to it. This transfer was effected by showing in the invoice a larger number of Rs 10/- and Rs 5/- notes than what it actually contained. The shortage in the remittance box was madegood by abstracting from the double lock box a number of Rs 10/- and Rs 5/- notes equal to the shortage. The remittance was never tested till after the inspection was over and in spite of reminders till the balances in Rs 10/- and Rs 5/- notes rose in the double lock to a figure equal to the number short in the remittance box. If the number of Rs 10/- and Rs 5/- notes did not speedily reach the required number, they were conserved as far as possible

by

was Rs. 48,185/- consisting of :-

12	notes	of Rs.	100/-
11	"	of "	50/-
927	"	of "	10/-
1777	"	of "	5/-
70	"	of "	1/-

in currency notes alone. 8 notes of Rs. 100/- each were alone taken out for the days transaction and none of smaller denomination though the balances in them were very high. The total receipts deducting the single lock increase was Rs. 1582-13-0 and the total payment was Rs. 242-13-0 leaving a credit balance of Rs. 1340/- (Ex.P77(a).) There were 11 payments, the highest of which was only Rs. 84-13-0. As all the payments were below Rs.100/-, there was no scope for the expenditure of any of the eight notes taken out. The puting entry shows 42 x 10 Rs. = 420/- whole Rs. - 1320 Small Coins = 400/- = Rs. 2140/-. The total put in is exactly equal to the taken out Rs. 800/- plus the day's net credit balance Rs. 1340/- equals 2140/-. There is nothing on the face of this transaction to indicate fraud of defalcation. It was contended on behalf of the prosecution that though the transactions may appear innocent enough, the 8 notes of 100/- were actually misappropriated as there was no occasion to spend them and in their place whole Rupees or partly whole rupees and partly ten rupee notes were nominally shown in the accounts and there was that day an actual shortage of Rs. 800/-. It was vehemently argued on behalf of the defence that the 8 hundred rupees notes may have been exchanged for cash as the Treasury was bound to accommodate the public, that no one inspected the Treasury that day and found any shortage, that the accused cannot be called upon at this distance of time to explain how the notes were spent and that instead of the accused very cleverly manipulating the accounts, the C.I.D. Inspector had exercised all his injenuity to detect fraud when none existed and had sought to place sinister construction upon

every

742
R

App. F. III—2]

General and Revenue Secretariat.

Rs File No. 15 of 192).

Serial No.

I think the Rev Comm's proposals are reasonable & may be accepted.

As regards Asst Rajagopala Iyer it is clear from the judgment of the Sessions Judge that no fraud can be imputed to him, & all that is said is that if he had examined the cash more frequently on 4 occasions the fraud would have come to light earlier. This no doubt shows a certain amount of negligence but the recovery of 1300 Rs from him appears to be a heavy enough punishment.

I do not attach much importance to the reference to the Public Accountants Regn, the main provisions of which are that such Accountants shall give security & recover moneys due as if they were arrears of Land Revenue. I am not sure if it creates any liability other than those created by the other ordinary laws.

DEWAN'S OFFICE
25. SEP. 1928
No. 1665

OFFICE OF THE FINANCIAL ADVISER
14 SEP. 1928
No. 1755

CSR
7/9/28

Hon'ble Member
Dewan

Recd 11/9/28

Mem 11.9.28

C.S
Mem
25/9

Hon 25-9-28

NOTE—Contn. Sheet.

WD 01714—GPB—30,000—15-4-26

742
R

42

App. F. III—2]

General and Revenue Secretariat.

Rm File No. 15 of 192).

Serial No.

a public Accountant within the meaning of Section 3, of Regulation I of 1893 (flag Z) and Government will be justified in making him responsible for the loss which is not otherwise recouped.

The opinion of the Legal Remembrancer may be obtained.

L
10.8.28

For favour of opinion

Law Secy

18
11/8

Having regard to the fact that under para 3.07 of Mysore Civil Account Code vol II p.4, the Auditor is made responsible for the accounting of all moneys received & disbursed in ~~the Taluk Treasury~~ & for the safe custody of all coin, currency notes, &c in the ~~Taluk~~ Treasury & to the definition of Public Accountant as given in Sec 3 viz any person who is entrusted with the receipt, custody or control of any moneys ... belonging to Govt. I am of opinion that the Auditor is a public Accountant within the meaning of Sec 3.

Chief Secy
with Compts
Second Member

Accepting the L.R.'s view the Dy will be a public Accountant in respect of the St-ins & the Comptr in respect of the stock in the Dy's possession. Can the same principle be extended to the Treasurer, Taluk Treasurer, Sub Treasurer, other State servants?

OFFICE OF THE SECOND MEMBER OF COUNCIL
15 AUG. 1928
No. 11764

CHIEF SECRETARY'S NOTE—Contn. Sheet.
13 AUG. 1928

WD 0824—GPB—60,000—24-8-27.

App. F. IX-4

1927.

Rm File No. 15-

Serial Nos. 1-10, 13,14.

Previous References:
KR 186-25-1,2
- 196-27-4,2

Later References
GR. 250-29 (3)
Law 71-30-1-6
& 230-35-4,5-28

General and Revenue Secretariat.

Serial Nos. Eleven.

Part B for November 1928

SUBJECT

Shortage of Rs 13,000/- Currency Notes noticed in the Mysore Taluk Treasury on the 29th March 1927.

R 3898-9 dt 10. 11. 1928
To. The Revenue Commissioner
The Comptroller thro' Fin. Secty.

Passes orders on the allocation of responsibility in connection with the defalcation case in the Mysore Taluk Treasury and the question of recovering the loss from the officers responsible.

Dr M(S)-27 2787/36 3718

App. F. III—2]

General and Revenue Secretariat. File No. 15 of 192 .

Serial No.	Name of Officer	Amount assessed for recoupment.	Chances of recovery (Property etc available)
I. Taluk Staff	1. Sheristedar (Venkataraghava Iyengar)	Rs. 4,550	Rs Life Insurance : 1050 Security : 500. Wet lands in the name of his Son and wife.
Real culprits Convicted by Judicial Tribunal.	2. Shroff (Hanumaiya)	Rs. 3,250	Security : 500 Movable property : 266
	3. Head Gumasta (Srikantaiya)	Rs. 1,300.	Owns two houses in Mysore & a wet land in Yedatore
(Not privy to fraud. Only slackness of supervision & neglect of duty.)	4. Amildar (Mr V.S. Rajagopalachi)	Rs. 1,300	May be recovered from arrears of pension due, and balance from pension hereafter at Rs 20 per mensem
II. District Treasury Staff (Mainly responsible)	5. Shroff (Krishnachar)	Rs 1,300	Rs Security 1000 Rest from his pay.
	6. Treasurer (i) (H. Ramanuja Iyengar)	500	May be recovered from his security
	7. Treasurer (ii) (Babu Rao)	500.	Party dead. May be remitted.
	(8) Treasury Officer (i) (H. Basavaraj Urs)	150	— do —
	9. Treasury Officer (ii) (V.S. Vasudeva Rao)	100	Can be easily recovered
	10. Treasury Officer (iii) (G. Rudrappa)	50	— do —
		Rs. 13,000	

(File for discussion with R.C. on 16.7.28)

Submd.
CPA
14/7/28.

16/7

NOTE—Contn. Sheet.

WD Serial—GPB—6,000—1.6.28.

Addl dealt with in Council

General and Revenue Secretariat. | Rev File No. 15 of 192 .

Serial No.

CHIEF SECRETARY 27 APR. 1928

Draft Sanctd
hm
27/4/28.

Issue
hm
27/4

To the Rev. Comr
No 5464 d. 28.4.28

Requests that a detailed report may be obtained from the Dy. Comr. on certain points & submitted to govt. with his own remarks

Sus.
hm

From the Rev. Comr
No. C.C. 60 d. 13th July 1928

Forwards a copy of the Dy. Comr's report on the subject drawn up after personal consultation with the Revenue Comr.

Chief Secy's orders:
"Please put up papers through A/S Rev."
(Sd) M. M.
13.7.28

The liability to recoup the amount defalcated (Rs 13 000) has been allocated among the different officers ~~responsible~~ in proportion to their responsibility. The amounts assessed against each and the chances of recovery are summarised below: —

NOTE—Contn. sheet.

WD 0324—GPB—60,000—24-5-28

General and Revenue Secretariat. | 2nd File No. 15 of 192 .

Serial No.

had time to abstract the requisite amount from Double lock box in the Taluk and to transfer the same to the ~~Dbo~~ untoted remittance box in the District Treasury. Sometimes they had to wait for days before ~~they~~ the ~~Could the~~ money actually in the Double lock box accumulated sufficiently for this purpose. A delay of nearly a fortnight has been allowed in testing the remittance boxes received in the District Treasury. The defalcation would have been impossible if this ~~Dep~~ invariable delay had not been tolerated.

(Vide page 20 of Judgment)

(1)

~~Another point for consideration is~~ whether it would be possible for the Taluk Shroff to introduce into the remittance box ~~of~~ fresh money after the remittance box was received in the District Try but before actual testing, ~~the~~ without the knowledge ~~of the District Treasury staff~~.

Another circumstance which facilitated the crime was that the time of inspection of the Treasury by the Auditor or Mors was invariably known in advance which gave time for ~~and~~ the necessary manipulations.

NOTE—Contn. sheet

D 0824—GPB—60,000—24-5-27

General and Revenue Secretariat.

R/m File No. 15 of 192 .

Serial No.

As regards the Three
Treasury officers Mr. H. Basava
Raja Rs is main accountable
to the extent of Rs 150, which is
to be realised as he is since dead
Mr. O.S. Vasudeva Rao for Rs 160
& Mr. C. Annappa for Rs 50. (Para 10
10 and D)

As regards the D.C
himself the R.C. Opines that
he has to be complimented in
the discharge of the investigation
& that this defalcation was due
this being ill-served by
inefficient subordinate officers

The chances of recovery
the amts are given ab. Here
a moot point if the bonds in
the name of the Dy Asst of the
Shi. Can be proceeded against for
amounts defalcated by them
The legal Advisor may be
consulted. The amount shown
against him is Rs 4530 while the
Life Insurance & Security amounts
Can up to only Rs 1530.

NOTE—Contn. Sheet.

WD 01714—GPB—30,000—16-4-28

General and Revenue Secretariat. | RM File No. 15 of 192 .

Serial No.

The A.C. has divided the persons responsible into three classes and assessed their responsibility accordingly. Both the D.C. & the A.C. have assessed that the three accused viz the Shr, the shroff & the Head Cumasta should be responsible for 70% of the amt. embezzled as the principal culprits. This amt has been further apportioned among them as given in para 5 of P.U.D.

The Asst Mr. O.S. Rajagopal Chari has been made responsible for 1/10 of the amt viz Rs. 1300 for reasons given in para 6.

The Dt. Mg Shroff Krishnacha is considered to be as one of the chief abettors in the Dt. Mg. (para 7) P.U.D

The two treasurers Mess H. Ramanuja Iyengar & B. Bala Rao have been made responsible for Rs [redacted] each. As Mr Bala Rao is dear that amount is proposed to be remitted.

(para 8 P.U.D)

NOTE—Contn. Sheet.

WD 01714—GPB—30,000—19/4.28

General and Revenue Secretariat. | R. W. File No. 15 of 192

Serial No.

Allocation of responsibility in a case like this must necessarily be somewhat arbitrary, but the Deputy Commissioner and the Revenue Commissioner have tried to assess blame in a manner which seems to be fair on the whole. If the Revenue Commissioner's proposals are accepted, a sum of about Rs. 4000/- will be recovered in cash out of Rs. 13,000/- embezzled. The Life Insurance Policies of the Taluk Sheristadar, Shroff and Head Gumasta may be forfeited and their surrender value may also be taken as an addition to the readily realisable amount.

The proposal to proceed against the moveable and immovable properties of these officials may be approved, but it is doubtful whether these properties will fetch a substantial amount.

The Deputy Commissioner says that a sum of Rs. 300/- out of the amount which the District Treasury Shroff (Krishnachar) has to recoup may be recovered from his pay. This implies the retention of this official in service which seems highly undesirable, considering the man's evident though unproved complicity in the fraud.

It is also a point for consideration whether

NOTE—Contn. Sheet.

WD 01714—GPB—30,000—16-4-26

(Mysore) Amildar's Diary for March 1927.

1st	Inspected the Treasury and Bonded Depot. (Examined and found correct.)
2nd	General Holiday - Sakkahalli and back.
3rd	Nagenhalli and back. Attended Office.
4th	Bandipalya, Uttanhalli and back. Returned late at 1 P.M.
5th	Melhalli and back.
6th	Sunday. Sakkahalli and back.
7th	Nayankere Chowdahalli and back. | New Sheristedar reported for duty. Attended Office
8th	Devanur and back. Attended Office.
9th	Sagarkatte and back (12-30 Noon) Attended Office.
10th	Sakkahalli and back. Attended Office.
11th	Vajamangala and back.
12th	Engaged in Elections.
13th	Sunday -do-
14th	Attended Office and availed himself half a day to go to Melkote with the Deputy Commissioner's permission.
15th	Returned from Melkote ~~xx~~ and attended Office.
16th	Kalastwadi and back. Attended to Office work.
17th	In the afternoon went to Chamundi Hill and returned.
18th	Mentagalli etc., and back. Attended Office.
19th	Malawadi etc., and back. Attended Office.
20th	Sunday. Kilanpura and back.
21st	Kadakola etc., and back. Attended Office.
22nd	Sagarkatte etc., and back. Attended Office.

The Amildar has signed the Double Lock Register on the 10th, 16th, 21st, 23rd and 25th.

Sd/- T. Abdul Khadir,
Sub Division Officer.

"Copy"

By Commissioner.